

***R.G. Casey and Australian Foreign Policy:  
Engaging with China and Southeast Asia, 1951-1960***

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**This thesis is submitted in fulfilment of the  
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## **Doctor of Philosophy Declaration**

“I, Craig McLean, declare that the PhD thesis entitled R.G. Casey and Australian Foreign Policy: Engaging with China and Southeast Asia, 1951-1960 is no more than 100,000 words in length including quotes and exclusive of tables, figures, appendices, bibliography, references and footnotes. This thesis contains no material that has been submitted previously, in whole or in part, for the award of any other academic degree or diploma. Except where otherwise indicated, this thesis is my own work”.

Signature

Date: 08/10/2008

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## ***ABBREVIATIONS***

ANZUS	Australia – New Zealand – United States Security Treaty
CPA	Communist Party of Australia
DRV	Democratic Republic of Vietnam
FRUS	Foreign Relations of the United States
NAA	National Archives of Australia
NLA	National Library of Australia
PKI	Partai Komunis Indonesia (Communist Party of Indonesia)
PRC	People’s Republic of China
PRRI	Pemerintah Revolusioner Republik Indonesia (Revolutionary Government of the Indonesian Republic)
RLG	Royal Laotian Government
SEATO	Southeast Asian Treaty Organisation
SMH	Sydney Morning Herald
UK	United Kingdom
UN	United Nations
US	United States of America
WNG	West New Guinea

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## ***ABSTRACT***

The thesis is a study of Richard Casey and the Department of External Affairs in the 1950s, and the policies proposed or adopted by the Department in relation to three Asian nations: China, Indochina and Indonesia. This will illuminate the workings of a key government department that was at the front line of the early Cold War. The 1950s was a crucial decade in fostering relationships with Australia's northern neighbours, many either emerging from, or fighting against, colonial rule. The actions of the Minister for External Affairs and his Department, whether positive or negative, would lay the foundations of Australian foreign policy for future decades. The thesis explores the ways in which Casey approached different regions in Asia in order to provide an analytical framework of how his policies toward Asia developed over time. The thesis examines whether Casey's ideas about Asia were influenced by the particular circumstances of each country or whether other imperatives determined his approach to Asia. A study of Casey's tenure in External Affairs will also involve an analysis of the level of support for Casey and his department both within Federal Cabinet and from Prime Minister Menzies.

Chapter one will concentrate on the evolution of Casey's and the Department's policy towards Communist China throughout the decade. It will examine the efforts made by Casey and his department to convince the Menzies Cabinet to officially recognise the People's Republic of China and endorse its acceptance by the United Nations. Chapter two will discuss Casey's policy towards Indonesia, emphasising his response to the dispute between Indonesia and the Netherlands over the sovereignty of West New Guinea. Several episodes throughout the decade will provide the central focus for this chapter: Indonesian Foreign Minister Subardjo's proposal in 1951; Indonesia's efforts to have the issue addressed at the UN from 1954 to 1957; Casey and the Department's response to the Indonesian Rebellions in 1958; and the Joint Statement issued by Casey and Indonesia's Foreign Minister Dr. Subandrio in 1959. Of particular importance will be the mid-decade attempt by Casey and the Department to encourage Cabinet to alter Australia's policy on the issue. Chapter three will discuss Casey and his Department's approach to Indochina throughout the 1950s. The focus of this chapter will be the war in

Indochina during the early years of the decade and the settlement of this conflict achieved at Geneva in 1954. Casey's activities in and around the Conference and his subsequent moves concerning the newly established states in Indochina will also be discussed. The examination of the latter part of the decade will emphasise Casey's policy towards South Vietnam and his response to the growing crisis in Laos.

## ***INTRODUCTION: BEYOND SUEZ: CASEY'S ROLE IN SOUTHEAST ASIA IN HISTORICAL STUDY***

Richard Casey served during one of the most tumultuous times in Australia's political history, with the escalating Cold War creating intense pressure. However, while much has been written on aspects of Australia's responses to particular international events, a definitive study of the efforts of its Minister for External Affairs throughout this entire period has yet to be fully realised. David Lowe suggested that '[h]istorians have...found it difficult to discuss any aspect of the 1950s without getting caught up in the Petrov affair – often at the expense of other prominent features of Australia's Cold War.'<sup>1</sup> Similar sentiments could be ascribed to studies of Australia's external affairs in the 1950s. While there is a significant literature on Australia's post-war foreign affairs and relations, there has been a tendency to focus on major events such as the Korean War and the Suez crisis when referring to the 1950s. For example, Casey's biographer, W.J. Hudson, focuses much of his discussion of Casey's time at External Affairs on the Minister's role in the Suez crisis.

The thesis will discuss the relationships between Casey and many of his contemporaries in Australian politics, most notably the Prime Minister, Robert Menzies, and Casey's predecessor at External Affairs, Percy Spender. It will illuminate areas of Australia's foreign relations which have been less prominent in historical literature - most notably, the External Affairs Department's responses to three prominent regions of Asia and South-East Asia: China, Indonesia and Indo-China. The workings of the department will be examined through the role played by Casey's closest advisors, especially his two secretaries, Alan Watt and Arthur Tange. The specific aim of the thesis will be to discuss Casey's policies towards Southeast Asia in order to understand how Casey should be judged in regard to the history of Australian foreign policy. It will be argued that Casey's approach to Southeast Asia places him more in the Labor tradition of foreign policy than in the Liberal tradition that he would be expected to follow.

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<sup>1</sup> David Lowe, *Menzies and the 'Great World Struggle': Australia's Cold War 1948-1954*, University of NSW Press, Sydney, 1999, p. 126

### *Asia and South-East Asia*

While different aspects of External Affairs in the 1950s have been discussed in isolation, such as Suez, there is not a definitive analysis of Casey's policies toward Asia, and particularly South-East Asia. Nevertheless, many writers have alluded to the fact that Casey contributed much to Australia's relationship with Asia and, in particular, South-East Asia. Walter Crocker believed that Casey's 'special achievement was to make Australia aware of Asia and Asia aware of Australia, and in both cases with sympathy and respect.'<sup>2</sup> W.J. Hudson argued that 'Casey from the beginning showed a sensitive awareness of the politics of South and South-East Asia'<sup>3</sup>, while David Lowe believed that Casey 'showed himself intellectually flexible and receptive to new ideas in his thinking about Asia.'<sup>4</sup> Lowe also stated that 'with considerable foresight [Casey] acknowledged the need for Australia to act as an involved party in South-East Asian affairs'.<sup>5</sup> Coral Bell suggested that Casey was 'more attuned, especially in dealing with non- Europeans, to the realities of the mid-twentieth century'.<sup>6</sup> Furthermore, T.B. Millar felt that Casey was 'more sensitive to the feelings of Asian leaders'.<sup>7</sup> Upon Casey's retirement, in an evaluation of Casey's time as Minister for External Affairs, a writer for the *Sydney Morning Herald* noted that Casey had 'personally laid the foundations of the closer relationships with the new nations of South-East Asia which must now be among the first of our preoccupations.'<sup>8</sup>

Alan Watt suggested that Casey's 'most distinctive achievement.... resulted from his frequent trips to Asia, especially South-East Asia, whose personalities and background conditions he probably knew better than any other Foreign Minister in the world.'<sup>9</sup> Further to this, Watt argued that,

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<sup>2</sup> Walter Crocker, *Travelling Back: The Memoirs of Sir Walter Crocker*, pp. 65-6

<sup>3</sup> W.J. Hudson, *Australian Diplomacy*, Macmillan, Sydney, 1970, p. 59

<sup>4</sup> David Lowe, op cit, p. 83

<sup>5</sup> Ibid, p. 84

<sup>6</sup> Coral Bell, *Dependent Ally: A Study in Australian Foreign Policy*, Oxford University Press, Melbourne, 1988, p. 51.

<sup>7</sup> T.B. Millar, *Australia in Peace and War: External Relations 1788-1977*, Australian National University Press, Canberra, 1978, p. 27

<sup>8</sup> This statement appeared in the *Sydney Morning Herald* on 6 February 1960 and is recounted in W.J. Hudson's biography, *Casey*, Oxford University Press, Melbourne, 1986, p. 286-7

<sup>9</sup> Alan Watt, *The Evolution of Australian Foreign Policy, 1938-1965*, Cambridge University Press, London, 1967, p. 301

During his first visit as Minister for External Affairs to South-East Asia in 1951, Casey saw the urgent need for greatly increased Australian diplomatic representation in that area, and it is to him that the credit is due of putting such a policy into effect.<sup>10</sup>

It is therefore evident that both academics and Casey's contemporaries have acknowledged his attempts to forge a stronger relationship with Australia's northern neighbours. However, there has yet to be a definitive analysis of this area of Australia's, and Casey's, policies toward Asia, during the period 1951-60.

One interesting account of Australia's policy towards Asia during the 1950s is provided by Gareth Evans. In his appraisal of the Labor tradition in Australia's foreign policy Evans acknowledged that Australia 'developed, particularly under Casey, cordial relations with the emerging new nations of the region'.<sup>11</sup> His positive remarks about Casey did not extend to his assessment of Menzies, whom he described as suffering from 'supercilious Anglophilia'. Evans condemned the 'stridency of our [Australia's] antagonism towards China' and also the 'ultimate comprehensive misjudgement of our intervention in Vietnam'. Evans concluded that the mistakes of the Menzies Government's policy towards Asia resulted in Australia becoming 'largely isolated and irrelevant in its own region'. The thesis will show that, although Evans' adverse assessment may be credible in regard to the policies adopted, Casey should not shoulder the blame. It will be argued that, had Casey been able to implement the initiatives he desired that Evans' perception of this period in Australia's foreign policy history would have been considerably different.

However, there have been less flattering appraisals of Casey in regard to his outlook towards Asia. Most notably, John Murphy contended that Casey always considered Asia to be the 'Far East' rather than the 'Near North', although he acknowledged that this 'peculiarly imperial distortion of the compass' was quite prevalent in 1950s Australia.<sup>12</sup> Murphy suggested that Spender had a much more 'sophisticated'

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<sup>10</sup> Ibid, p. 197

<sup>11</sup> Gareth Evans, 'The Labor Tradition: A View from the 1990s', in David Lee and Christopher Waters(eds), *Evatt to Evans: The Labor Tradition in Australian Foreign Policy*, Allen & Unwin, 1997, p. 12

<sup>12</sup> John Murphy, 'Vietnam and the conservative imagination in the 1950s' in Lowe, D.(ed), *Australia and the End of Empires: the Impact of Decolonisation in Australia's Near North, 1945-65*, Deakin University Press, Geelong, 1996, p. 90.

understanding of the Asian political climate and had much less regret for the passing of the 'colonial era' than Casey had. Murphy also argued that Spender had a 'more sympathetic and more urgent' view of Asian history. Whittington also indirectly downplays Casey's influence on foreign policy in his claim that the Colombo Plan was 'the only major positive attempt Australia made in fifteen years to gain the gratitude or respect of the people of South-East Asia'.<sup>13</sup> Given that the credit for the creation of the Colombo Plan is given to Spender, this gives the distinct impression that Casey contributed little to the advancement of relations between Australia and Asia. As will be demonstrated in the case studies presented in the thesis, these adverse appraisals of Casey do not tally with the importance Casey placed upon establishing close ties between Australia and Asia. Furthermore, these statements severely underestimate the degree of sympathy Casey had towards Asian nations, regardless of their vastly differing circumstances. Although Casey's efforts to alter Australian foreign policy on critical issues may be shown to have been unsuccessful, the thesis will argue that he was much more inclined towards a 'Near North' perspective of Asia than Murphy gave him credit for.

Casey's own writings about Asia and South-East Asia will be of great relevance to the thesis. Most notable is his 1954 book *Friends and Neighbours*, an account of his experiences on his first tour of the Asian region as Minister for External Affairs in 1951; it contains several insights into Casey's mindset about how Australia should respond to the Asian region.<sup>14</sup> This account illuminates Casey's beliefs about Asia, particularly when read in conjunction with Casey's diary entries for this period. The thesis will seek to provide a detailed study of Casey's approaches and policies towards South-East Asia so as to better understand Australia's foreign relations in the 1950s and the role played by its Minister. There is yet to appear a comparative analysis of how Casey's policies toward one nation of Asia related to his policies towards another part of the region. It is therefore an aim of the thesis to analyse how Casey approached different areas of Asia, and thereby discuss how Casey's policies toward Asia developed over time. It is also hoped that a discussion of a number of

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<sup>13</sup> Don Whittington, *The Rulers: fifteen years of the Liberals*, Cheshire-Lansdowne, Melbourne, 1965, p. 156

<sup>14</sup> R.G. Casey, *Friends and Neighbours*, Michigan State College Press, East Lansing, 1955

different regions of Asia will illustrate whether Casey's ideas about Asia were influenced by the individual circumstances of particular countries or whether the Minister's approach to Asia evolved regardless of peculiar circumstances. For instance, it will be of particular interest to compare Casey's attitudes towards those nations of Asia which were non-communist in comparison to those countries which had become communist in the recent past, namely China.

### *China*

Australia's relationship with China has been the subject of several studies. The most vital of these works, for the purposes of the thesis, is Andrews' study which provides important insights into some of the behind-the-scenes machinations in the Australian Government during the 1950s regarding its approach to Communist China.<sup>15</sup> Doran and Lee's *Australia and Recognition of the People's Republic of China 1949-1972*, provides significant primary evidence of how Australian policy makers, including Casey, were attempting to approach China in the 1950s.<sup>16</sup> The thesis will particularly focus on how Casey sought to approach the sensitive issue of recognition of the new Communist regime.

Considering the fact that the People's Republic of China was proclaimed only two years before Casey became Minister for External Affairs, and in light of the prevailing Cold War atmosphere – with China's role in the Korean conflict and the Menzies Government's attempt to ban the Communist Party of Australia – it would be safe to assume that Casey would be vehemently opposed to Communist China. In 1954 Casey publicly expressed the belief that 'we feel the hot breath of international Communism on our necks in Australia', and it was he who coined the phrase 'the nest of traitors' during the Petrov Affair.<sup>17</sup> It is clear, then, that his anti-communist credentials cannot be questioned. However, despite Casey's public rhetoric, a number of writers have noted that Casey was, in fact, attempting in cabinet to urge his colleagues to open diplomatic relations with China. Goldsworthy believed 'Casey had a genuine feeling for the traditions, cultures and aspirations of Asian people including

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<sup>15</sup> E.M. Andrews, *Australia and China: The Ambiguous Relationship*, Melbourne University Press, Carlton, 1985

<sup>16</sup> S. Doran and D. Lee, *Documents on Australian Foreign Policy: Australia and Recognition of the People's Republic of China 1949-1972*, Department of Foreign Affairs and Trade, Canberra, 2002

<sup>17</sup> R.G. Neale, 'India', in Greenwood, G. and Harper, N.(eds), *Australia in World Affairs, 1950-1955*, Chesire, Melbourne, 1957, p. 271

the Chinese.’<sup>18</sup> Goldsworthy also observed Casey’s belief ‘that the government should re-evaluate its position on recognition of China so that the problem could be dealt with through diplomatic channels.’<sup>19</sup>

Peter Edwards, in his biography of Arthur Tange, the Secretary of the Department of External Affairs for most of Casey’s period in office, touched upon the issue of recognition of China. Edwards suggested that in the middle of the decade there was a period of heightened activity on the issue, with Casey presenting a paper to cabinet compiled by Tange and the department which was designed to encourage the government to alter its position on the issue.<sup>20</sup> Edwards laid blame for the failure of this submission on Casey and argued that this ended the period of activism within the department on the issue. The circumstances surrounding the creation and presentation of this paper will be crucial to the thesis’ discussion of attempts to have Australia recognise China. The thesis will explore the compilation of the paper in question in depth and will seek to discover the extent to which Casey was involved in its conception and its failure to be accepted by cabinet. The extent to which efforts to recognise China decreased in the latter part of the decade will also be established.

Christopher Waters, in his study of the association between Casey and his Canadian counterpart, Lester Pearson, argued that Casey was driven to propose recognition due to a desire to conduct ‘practical diplomacy’.<sup>21</sup> Waters suggested that, although Casey and Pearson were both firmly opposed to communism they were ‘prepared to adopt a more *realpolitik* approach’ when dealing with the communist nations of Asia, and particularly Communist China. The thesis will seek to establish whether Waters’ assessment of Casey’s desires was accurate, or whether Casey had a more profound reason for approaching policy towards Asia in the manner that he chose. If Waters’ assessment is substantiated, it will then be necessary to determine if this *realpolitik* approach influenced other areas of Casey’s foreign policy; in the cases of West New Guinea and Indochina.

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<sup>18</sup> D. Goldsworthy(ed), *Facing North: A Century of Australian Engagement with Asia, Vol. 1: 1901-1970s*, Melbourne University Press, Carlton, 2001, p. 192

<sup>19</sup> *Ibid*, p. 192

<sup>20</sup> Peter Edwards, *Arthur Tange: Last of the Mandarins*, Allen & Unwin, Sydney, 2006, p. 76

<sup>21</sup> Christopher Waters, ‘Diplomacy in Easy Chairs: Casey, Pearson, and Australian-Canadian Relations, 1951-7’, in Margaret McMillan and Francine McKenzie’s *Parties Long Estranged: Canada and Australia in the Twentieth Century*, University of British Columbia Press, 2003, p. 216

Casey's biographer, W.J. Hudson, was most pointed in his evaluation of Casey's attempts to persuade the government to open diplomatic relations with China. According to Hudson, Casey felt that 'while China might not be nice, Nationalist China was passé and an alien presence on Formosa, and therefore Peking must be accommodated diplomatically.'<sup>22</sup> Further to this, Hudson suggested that

In Cabinet he [Casey] argued in vain that, while the USA might not much like Australian recognition of Peking, he would be able to mollify Washington with sensitive diplomacy – he argued with little more success that what he sought was not appeasement...but common sense.<sup>23</sup>

It is evident that, against the wishes of his cabinet colleagues, Casey attempted to implement a policy of opening relations with Communist China and, in so doing, giving recognition to the new Chinese Government. Casey's conviction was also not dampened by the envisaged reluctance of the United States to accept his proposal. Casey's inclination to propose policies which might be considered unpalatable by the US is an initial indication that his approach to Australia's external affairs exhibited an independence which has not been widely acknowledged. The thesis will investigate whether this independent policy was in evidence in all of the cases under study. Casey's response to the pressures associated with placating the US at a time when Australia was increasingly looking to its great ally for support and security will be an important aspect of the current thesis. Furthermore, an integral aim of the thesis will be to discover the extent to which the policy adopted by Casey, in all cases under study, was inclined towards negotiation and understanding, as opposed to the more confrontational and provocative approach of the US, which is more widely attributed to policy makers during the Cold War period.

Hudson was under no illusions as to the significance of Casey's attempted initiatives toward China. According to Hudson,

If Casey had been given his head in 1955, he would soon have had Australian diplomats in Peking, he would have descended on Peking himself at least once a year, he would

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<sup>22</sup> W.J. Hudson, *Casey*, op cit, p. 251

<sup>23</sup> *Ibid*, p. 252

have had Chinese leaders visiting Australia. He would have busied himself between Peking and Washington, he might well have been in a position to help capitalise on the Sino-Soviet split in ways that were not to be employed by others for another decade and more. The Vietnam War, with its dreadful physical impact on Vietnam and its socio-political impact on the USA and Australia, might have taken a very different form. So much that was to happen was to spring in part from ignorance of Chinese attitudes and from Chinese non-participation. Casey would have lessened the ignorance, including his own, and he would have sought Chinese participation.<sup>24</sup>

This makes it abundantly clear that, in Hudson's eyes, Casey held the key to circumventing Australian involvement in the Vietnam War. This is a profound statement whose validity will be investigated more closely. In this context, it is extremely important to investigate Casey's policy initiatives in regard to China in more depth than has been previously attempted while also addressing the degree to which Casey's progressive policy in this instance permeated his approaches to other parts of Asia.

#### *West New Guinea*

The dispute between Indonesia and the Dutch over West New Guinea was a source of great contention for Casey and the Australian Government throughout the entire period under study, with a settlement not reached by the end of Casey's tenure at External Affairs. This issue is therefore of great importance to a study of the conduct of Casey's foreign policy towards Asia. While there have been a vast number of studies which have focused on Australia's relationship with Indonesia, and in particular the conducting of affairs throughout the West New Guinea dispute, discussion of Casey's role has been sparse. Much of the scholarly work on this issue has been dedicated to discussion of Percy Spender's policy, as he had a significant interest in the retention of Dutch control of West New Guinea, and thus steered Australia's policy in that direction. Some studies have briefly addressed the dispute, such as Goldsworthy, and Edwards with Pemberton, without elaborating significantly on Casey's role in creating and directing Australia's policy on the issue.<sup>25</sup> Bob Catley

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<sup>24</sup> Ibid, p. 253

<sup>25</sup> See D. Goldsworthy, op cit, pp. 210-215, and Edwards with Pemberton, *Crises and Commitments: The Politics and Diplomacy of Australia's Involvement in South-East Asian Conflicts 1948-1965*, Allen and Unwin, Sydney, 1992, pp. 200-207

and Vinsensio Dugis' examination of Australia's relations with Indonesia cursorily looked at the West New Guinea dispute, but provides scant discussion of Casey's policy and is largely concerned with the major upheavals which would occur in the decade following Casey's departure from External Affairs.<sup>26</sup> Greenwood and Harper's work provides an important understanding of the issue, in that their study of Australia in world affairs was compiled in 1955, while the dispute still raged. It thus gives an important insight as to how the issue was perceived at the time, although precedence is placed upon Spender's policy rather than Casey's.<sup>27</sup>

A more authoritative account of the West New Guinea dispute can be found in the work of C.L.M. Penders. Pender's study is of importance to the thesis given the depth of its study of the dispute, and considering that some of this discussion centres on the policy of Casey.<sup>28</sup> Of particular interest is Penders' assertion that Casey conducted himself with a 'smoother and more diplomatic style' than his predecessor, Spender. The thesis will explore this idea in more detail, focusing on Casey's efforts to nurture cordial relations between Australia and its immediate northern neighbour. Penders also touched upon the efforts made by Casey to placate both sides of the conflict, in particular in the latter part of the decade when concessions were made to the Indonesians during meetings with their Foreign Minister, Subandrio.<sup>29</sup> T.B Millar also addressed the meetings with Subandrio, commenting that the Indonesians won a 'major concession'.<sup>30</sup> The thesis will elaborate on this discussion by focusing on Casey's efforts to appease both the Indonesians and the Dutch throughout the entire decade. Millar also commented that although Casey maintained the policies of Spender he did so with 'less enthusiasm' for Australia taking an active role in defending Dutch sovereignty over the territory.<sup>31</sup> Millar concluded that Casey's policy of lessening support for the Dutch and attempting to mollify the Indonesians resulted in a situation whereby 'Australia offended the Dutch by doing so little and

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<sup>26</sup> Bob Catley and Vinsensio Dugis, *Australian Indonesian Relations Since 1945: The Garuda and the Kangaroo*, Ashgate Publishing, Aldershot, England, 1998, pp. 20-28

<sup>27</sup> R.L Neale, 'India', in G. Greenwood and N. Harper (eds), *Australia in World Affairs, 1950-1955*, Cheshire, Melbourne, 1957, pp. 202-206

<sup>28</sup> C.L.M. Penders, *The West New Guinea Debacle: Dutch Decolonisation and Indonesia, 1945-1962*, Crawford House Publishing, Adelaide, 2002. For discussion of Casey's policy towards the West New Guinea dispute, see pp. 311-318.

<sup>29</sup> *Ibid.* For discussion of Subandrio's visit to Australia see pp. 325-6

<sup>30</sup> T.B. Millar, *op cit*, p. 228

<sup>31</sup> *Ibid.*, p. 227

the Indonesians by doing anything at all'. The thesis will seek to investigate the legitimacy of this statement by examining Casey's policies towards the West New Guinea dispute throughout the entirety of his External Affairs Ministership.

Alan Watt briefly discussed Australia's approach to the West New Guinea dispute in his study of the evolution of Australian foreign policy.<sup>32</sup> Watt identified Casey's policy of 'cold storage', when the Minister attempted to effectively have the issue shelved for as long as possible. Watt noted the lack of success of this policy. This undertaking by Casey, and its success or failure, will form a significant part of the discussion on the West New Guinea issue. While Watt concluded his discussion of Casey's policies by focusing on the Subandrio meeting, he also referred to the mid-decade push by Indonesia to have the issue addressed by the UN General Assembly, which placed considerable stress on Casey's efforts to have the issue shelved. Richard Chauvel's study of the West New Guinea dispute also discussed the use of 'cold storage' as a device to delay discussing the issue and the importance of the UN debates in the middle of the decade.<sup>33</sup> This is an area of the dispute which is given far less prevalence in historical studies of the period and it is an aim of the thesis to rectify this situation by conducting a much more thorough investigation of Casey's policies during these UN debates. Chauvel includes a significant statement in his contention that

Australia's attempt to keep WNG [West New Guinea] out of Indonesian control was an attempt to conduct an indigenous and independent policy on an issue which evoked strong feeling both within the Australian political elite and the broader community.<sup>34</sup>

It will be a major goal of the thesis to establish the degree to which Casey contributed to the creation and implementation of this independent policy. It will also be determined whether the existence of an independent foreign policy in regard to the

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<sup>32</sup> A. Watt, *op cit*, pp. 253-4

<sup>33</sup> See Richard Chauvel's chapter 'Up the Creek Without a Paddle: Australia, West New Guinea, and the 'Great and Powerful Friends'', in Cain, F.(ed) *Menzies in War and Peace*, Allen and Unwin, St Leonards, NSW, 1997, pp. 55-67

<sup>34</sup> *Ibid*, p. 67

West New Guinea dispute carried over into the other two case studies of the thesis – China and Indochina – and the extent of Casey’s input in each case.

As stated above, Percy Spender had an intense interest in the West New Guinea affair and was outspoken in his belief that the territory should remain in Dutch hands. Spender made this clear in his memoir where he took the opportunity to berate Casey for his handling of the issue. In particular Spender argued that the 1959 communiqué released by Casey and Subandrio was a case of ‘political expediency’ on behalf of the Australian Government and its Minister for External Affairs.<sup>35</sup> Spender argued that Casey had been influenced by a body of opinion within the department. He contended that the communiqué represented a reversal of previous policy, to the extent that the government no longer regarded West New Guinea as strategically important and that Casey was almost entirely responsible for this new approach to the issue. He even suggested that Casey might have acted without cabinet consent in regard to the wording of the communiqué, stating that if Casey had not consulted cabinet, the terms of the communiqué would ‘have come as more than a surprise to the Cabinet when the declaration was made public’. The thesis will closely explore this issue with the intention of establishing the degree to which the terms of the communiqué were a result of Casey’s own input. Spender’s recollection is important to the thesis in that it emphasises the need to discover how far Casey can be held responsible for the apparent reversal in Australia’s policy towards West New Guinea during the latter stages of the decade.

### *Indo-China*

There has been very little of significance written about Australia’s relationship with Indo-China in the 1950s. In particular, Casey’s role has been largely overlooked. A number of writers, such as Edwards with Pemberton, have analysed certain aspects of Australia’s policy towards Indo-China in the 1950s; however, discussion of Casey’s initiatives and ideas in response to the escalating situation in this region has been under-explored. Nonetheless, Edwards with Pemberton did offer an important insight into Australia’s foreign policy during the Geneva Conference which will be explored more fully. They claimed that a telegram was circulated among Australia’s diplomatic

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<sup>35</sup> Percy Spender, *Politics and a Man*, Collins, Sydney, 1972, p. 296

service which indicated that Australia would consent to a partition of Vietnam as part of the agreement.<sup>36</sup> They considered this to be ‘a clear and forthright statement of Australian policy, echoing neither London nor Washington...’. Edwards would later attribute this telegram to Tange, in his biography of the Secretary, claiming that such a move was ‘typical of Tange’s approach’.<sup>37</sup> The contention that Casey and his department were attempting to implement an independent foreign policy is one of the focal points of the thesis, and the assessment made by Edwards with Pemberton will be explored in detail in each of the case studies under analysis. Furthermore, Edwards’ identification of Tange as the architect of the policy towards the Indochina settlement will also be discussed so as to determine the extent to which Casey directed policy.

In his study of Australian foreign policy, Hudson highlighted Casey’s importance to the creation of the Geneva formula for the partition of Vietnam, stating that ‘...although Australia was not officially a party to the conference on Vietnam, [Casey] has been credited with an effective role in the negotiation process’.<sup>38</sup> Coral Bell made a similar statement in reference to Casey’s role at Geneva, stating that Australia’s policy at the Conference was ‘shaped by Casey rather than Menzies’.<sup>39</sup> Casey’s role at Geneva will be a focal point of the thesis, and will help illuminate the nature and success of his policies during his time at External Affairs. John Murphy’s chapter, ‘Vietnam and the conservative imagination in the 1950s’, provides a rich understanding of Australia’s involvement in Indo-China during the 1950s and highlights the degree to which Casey took an active role in trying to foster better relations between Asia and Australia.<sup>40</sup> Murphy also points to a more moderate approach taken by Casey than might be expected from a member of the Menzies Cabinet: one of the arguments of this thesis. Most notably, Murphy illustrates that Casey was not an advocate of force being used to solve the problem. According to Murphy, Casey believed that

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<sup>36</sup> Edwards with Pemberton, op cit, p. 137

<sup>37</sup> Edwards, op cit, p. 75

<sup>38</sup> W.J. Hudson, *Australian Diplomacy*, op cit, p. 61

<sup>39</sup> Coral Bell, op cit, p. 51

<sup>40</sup> Murphy’s chapter appears in Lowe’s *Australia and the End of Empires: the Impact of Decolonisation in Australia’s Near North, 1945-65*, Deakin University Press, Geelong, 1996

....there could be no military, but only a political solution in Vietnam. The French and the Chinese were both unpopular in Vietnam, American aid to the former was 'very much greater' than Chinese aid to the Vietminh, and finally, China should be recognised to take its place at the UN.<sup>41</sup>

The views ascribed to Casey by Murphy will be of particular importance to the thesis in that they suggest that Casey was attempting to institute a foreign policy that could be considered to have been enlightened. This study will investigate Casey's ideas and responses to Indo-China in greater depth while also comparing and contrasting his efforts in this instance with his undertakings elsewhere in the region.

While the Geneva negotiations will provide the foundation of our discussion of Indochina, the way in which Casey approached the region following the conference will also be of importance. In particular the Australian Government's decision to offer extensive support to the regime of Ngo Dinh Diem will be investigated, with the spotlight on Casey's response. Edwards with Pemberton highlighted the Australian Government's support for Diem, culminating in the South Vietnamese leader's visit to Australia in 1957 in which Diem was 'feted as a man of courage, faith and vision'.<sup>42</sup> The thesis will look more closely at how Casey and the Department of External Affairs viewed Diem and his new regime which will highlight how Casey's approach to Southeast Asia was evolving throughout the 1950s.

#### *Casey and the department*

To obtain an accurate assessment of Casey's tenure it is necessary to investigate how he interacted with his department. An initial source of information can be found in the memoirs of former members of the Department of External Affairs. As discussed, Alan Watt, Casey's Secretary in the early 1950s, detailed his experiences in the department in *Australian Diplomat*. Watt also assesses the performance of his Minister. He describes his relationship with Casey and compares and contrasts Casey's ministry with that of his predecessor, Spender. Watt also demonstrates the degree to which the Secretary of the department could influence the Minister, for

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<sup>41</sup> Op cit, p. 101

<sup>42</sup> Edwards with Pemberton, op cit, p. 195

example claiming that it was at Watt's insistence that Casey chose to make his first overseas trip as Minister to Southeast Asia rather than the Middle East. This is of great importance considering that it was this trip in 1951 which would shape much of Casey's subsequent approach to foreign policy.

In addition to Watt, there have been a number of other former officers of the External Affairs Department who have written memoirs about their experiences. Among them are J.W.C. Cumes, Alan Renouf, Pierre Hutton and Walter Crocker.<sup>43</sup> To varying degrees, they all furnish a greater understanding of the inner workings of the department during Casey's tenure. Cumes illustrates the importance of looking at Casey's relationship with his officers, stating that Casey 'enjoyed and appeared to derive profit from discussing policy matters with a wide range of officers in his department'.<sup>44</sup> Cumes also suggested that Casey was 'one of the best liked ministers the department had had – and the feelings were reciprocated'.<sup>45</sup> Renouf gives an insight into how the Department of External Affairs tackled a number of the areas under discussion in the thesis, most notably China and Indo-China. It is hoped that a more comprehensive investigation of how the officers of External Affairs contributed to Casey's foreign policy will provide a thorough analysis of the conduct of Australia's foreign policy in the 1950s.

The most comprehensive account of Australia's Department of External Affairs can be found in *Ministers, Mandarins and Diplomats*.<sup>46</sup> The degree to which Ministers interacted with, and were influenced by, members of their department is discussed in great depth. Waters' chapter focuses on Casey's time in office and discusses Casey's relationship with the officers in his department with particular emphasis being placed on the rapport between Casey and the two men who held the secretaryship of the department during the 1950s, Alan Watt and Arthur Tange. Waters felt Watt 'lacked the lively conversation and sharp intelligence needed to inspire Casey in his policy

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<sup>43</sup> Cumes, *A Bunch Of Amateurs: The Tragedy of Government and Administration in Australia*, Sun Books, South Melbourne, 1988; Renouf, *The Frightened Country*, Macmillan, South Melbourne, 1979; Hutton, op cit, and Crocker, op cit.

<sup>44</sup> Cumes, op cit, p. 20

<sup>45</sup> Ibid, p. 31

<sup>46</sup> J. Beaumont, C. Waters, D. Lowe, and G. Woodard, *Ministers, Mandarins and Diplomats, Australian Foreign Policy Making, 1941-1969*, Melbourne University Press, Carlton, 2003

formulation'<sup>47</sup>, concluding that Watt and Casey 'were not a successful combination'.<sup>48</sup> This illustrates the importance of further examining the working relationship between Casey and his officers, in that Casey's apparent lack of success as a minister may have been exacerbated by the lack of ability of his departmental team.

Waters suggests that Casey had a more successful rapport with Watt's successor as Secretary, Tange. Their relationship 'began well' and Tange's greater focus on policy was more suited to Casey's style. However, Waters concluded that, although Casey and Tange worked effectively on a number of occasions, Tange became increasingly frustrated by Casey's inability to gain cabinet support. This implies that any lack of success Casey experienced as Minister for External Affairs may have occurred regardless of the ability of his department. Waters believed that the department of External Affairs was dominated by the ideology of Cold War liberalism during Casey's tenure. It is suggested that the longevity of the Menzies Government and its Minister for External Affairs resulted in the department as a whole becoming dominated by a 'hegemonic view'.<sup>49</sup> Yet, Casey attempted to implement a number of policies which challenge this point of view, most notably the unsuccessful attempt to recognise the PRC. The thesis will explore the degree to which the Department of External Affairs can be considered to have been dominated by a hegemonic view throughout the 1950s.

Woodard also discusses secretaries of the Department of External Affairs. He too dismisses Watt's influence upon policy making and the department in general, suggesting that he was 'a poor and overly fussy....administrator'.<sup>50</sup> Furthermore, Woodard believed that Watt possessed 'shortcomings and insecurities' that were not held by his successor as Secretary, Arthur Tange.<sup>51</sup> Woodard believed Tange was

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<sup>47</sup> Waters, 'Cold War Liberals: Richard Casey and the Department of External Affairs, 1951-1960', in Beaumont, Waters, Lowe and Woodard, *Ministers, Mandarins and Diplomats: Australian Foreign Policy Making, 1941-1969*, Melbourne University Press, 2003, p. 95

<sup>48</sup> *Ibid*, p. 95

<sup>49</sup> *Ibid*, p. 99

<sup>50</sup> Woodard, 'Ministers and Mandarins: the relationships between Ministers and secretaries of External Affairs 1935-1970', in *Australian Journal of International Affairs*, Vol. 54, No. 1, 2000, p. 86

<sup>51</sup> *Ibid*, p. 86

more forthright and more prominent in policy making than Watt. Woodard credits Tange with convincing Casey and Menzies to take a more prominent role at the Geneva Conference of 1954, and suggests that Tange played a leading role in formulating Australia's response to the United States' push for military intervention.<sup>52</sup> Woodard therefore makes it clear that an investigation of Tange's influence on Casey will be necessary when assessing the Minister's overall performance. He also raises the question of Menzies' dominance of External Affairs affecting Casey, which will also be discussed more closely in the thesis.

The extent of Tange's influence becomes clear in Edwards' biography where he establishes parallels between a 'policy critique' compiled by Tange at the beginning of his Secretaryship and subsequent policy adopted by Casey and the department.<sup>53</sup> For example, Tange argued that Australia was paying too high a price for its friendship with the United States, and that it was necessary to differ publicly on occasion 'for our friends to see'.<sup>54</sup> As this thesis will demonstrate, this was an assessment that bore close resemblance to Casey's position. In assessing Casey's conduct as Minister for External Affairs, it will be a major goal of the thesis to establish the degree to which Casey was influenced in his thoughts and strategies by his closest advisors. An effort will therefore be made to examine Tange's 'policy critique' and the extent to which it corresponds with actions that Casey undertook in our three case studies.

David Lowe's chapter on Percy Spender in *Ministers, Mandarins and Diplomats* will also inform the thesis in that it touches upon the degree to which Casey was influenced by, and in particular hampered by, his predecessor during his time in office. After Spender relinquished the External Affairs portfolio he became

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<sup>52</sup> Ibid, p. 87

<sup>53</sup> Edwards, op cit, pp. 72-74

<sup>54</sup> Ibid, pp. 72-3

Australia's Ambassador to the United States, based in Washington. Lowe argued that despite his new role, Spender still considered himself to be Australia's premier authority on External Affairs. According to Lowe, Spender regarded himself as 'something approximating an *ex situ* Minister for External Affairs' and sought to either influence or undermine Casey and Menzies' foreign policy, especially during the early 1950s.<sup>55</sup> Spender was notably vociferous in regard to the Australian Government's policies towards the ANZUS treaty and the United Nations. Of most significance to the thesis is Spender's attempted interference during the 'united action crisis' in 1954, when Spender argued that Australia should endorse the American stance that military intervention be used to support the French in Vietnam.<sup>56</sup> The discussion of Casey's policies toward Indochina will focus heavily on this area and Spender's role will need to be assessed. Lowe's chapter makes it clear that any analysis of Casey's performance as Minister for External Affairs needs to include discussion of how Casey and the department were influenced or hampered by Spender. Spender's memoir, *Politics and a Man*, will also indicate how Spender viewed Casey and Australia's subsequent foreign policy after his posting to Washington.

### *Casey and Cabinet*

Despite Casey's ambition to foster closer ties between Australia and Asia, he was unable to implement many of his proposals. Most notably, he failed to convince his cabinet colleagues to entertain the idea of opening diplomatic relations with Communist China. It is an aim of this thesis to investigate why Casey was incapable to achieve his goals. As indicated earlier, a number of writers were positive in their assessments of Casey's impact on Australia's relations with Asia. However, there have been criticisms levelled at Casey's performance in cabinet during the 1950s. Paul Hasluck, who held the External Affairs portfolio after Barwick, openly attacked Casey's ability as Minister for External Affairs in both *Mucking About: An Autobiography* and in particular in *The Chance of Politics*. Hasluck was especially scathing about Casey's performance in cabinet, stating that:

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<sup>55</sup> See Lowe's 'Percy Spender, Minister and Ambassador', in Beaumont, Waters, Lowe and Woodard, *op cit*, p. 77

<sup>56</sup> *Ibid*, p. 82

Casey was ineffective in Cabinet. I doubt whether there was any other minister during the time he was in Cabinet with me who lost so many submissions. He had very little influence on Cabinet decisions.<sup>57</sup>

Hasluck believed that the reason for Casey's ineffectiveness was 'simply because he was not good enough'.<sup>58</sup> The extent to which Hasluck's accusations were justified will be investigated in this study.

While Hasluck was the most damning, criticism of Casey also appears in Lowe, Goldsworthy and Hudson who suggest that Casey's attempts to implement his more enlightened foreign policy may have been hampered by his own shortcomings as a politician. For example, Hudson believed that 'Casey was not personally impressive in Cabinet'<sup>59</sup>, and that he was 'an indifferent performer in parliament'<sup>60</sup>, while Edwards suggested that Casey used 'naïve and clumsy' cabinet tactics.<sup>61</sup> Edwards also suggested that Casey's lack of ability in cabinet frustrated Tange, who was critical of Casey's 'naivety and weakness as a Cabinet minister' resulting in Casey frequently being 'rolled' by his colleagues.<sup>62</sup> While discussing Casey's proposed initiatives on how Australia should interact with its Asian neighbours, the thesis will attempt to provide an assessment of Casey's performance in achieving his goals. It will seek to assess whether Casey's apparent lack of success as Minister for External Affairs can be attributed to his own ineffectiveness or whether he was fighting a losing battle against the predominant anti-communist, Cold War, beliefs that have commonly been ascribed to the Menzies Government of the 1950s. It will also be necessary to determine if Casey's relationship with Menzies influenced his lack of success in achieving his goals.

### *Casey and Menzies*

In addition to his mixed reception in cabinet, it is apparent from a number of sources that Casey was hampered in his efforts by the hostility that existed between Menzies

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<sup>57</sup> See Hasluck's *The Chance of Politics*, Text Publishing, Melbourne, 1997, pp. 86

<sup>58</sup> *Ibid*, p. 87

<sup>59</sup> Hudson, *Casey*, op cit, p. 234

<sup>60</sup> *Ibid*, p. 211

<sup>61</sup> Edwards, op cit, p. 76

<sup>62</sup> *Ibid*, p. 108

and himself. Martin's biography, *Robert Menzies: A Life*, refers to the relationship between Menzies and Casey and emphasises the competitiveness and animosity that existed between the two.<sup>63</sup> Casey and Menzies had been political rivals for many years and it is probable that Casey still sought to hold the office of Prime Minister during the 1950s, given his failed attempt to gain the deputy leadership in 1956. The acrimonious relationship between Menzies and Casey, and how this affected Casey's political performance is also discussed in Hudson's biography. For example, Hudson identifies how Casey and Menzies differed over how to handle the Suez crisis, and he suggests that this directly hampered Casey's attempt to gain the deputy leadership.<sup>64</sup> Coral Bell alludes to the differences in style between Casey and Menzies, identifying that Menzies was 'the stronger personality' while Casey was 'the more flexible and knowledgeable diplomat'.<sup>65</sup> It will therefore be necessary to explore the nature of Casey and Menzies' relationship to discover the degree to which Menzies may have hindered Casey's efforts to implement his foreign policy.

The memoirs of two of Casey's close colleagues further reveal the gulf that existed between Casey and Menzies. Pierre Hutton, who worked with Casey at External Affairs in the last part of his tenure, provides some important insights into Casey's acrimonious relationship with Menzies. According to Hutton, 'Menzies never made any effort to support what Casey was trying to do in building relations with 'friends and neighbours' in Asia'.<sup>66</sup> Furthermore, Hutton asserted that

....with Casey, however, Menzies interfered frequently, especially on major issues, and towards the end of Casey's regime the Minister was little more than a travelling salesman in South-East Asia. Casey's commendable efforts to promote closer relationships between Australia and Asia never received more than token encouragement from the Government...<sup>67</sup>

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<sup>63</sup> A.W. Martin, *Robert Menzies: A Life*, vol. 2, Melbourne University Press, Carlton, 1993

<sup>64</sup> See, for example, pp. 227-8 of *Casey*, where Hudson refers to Casey's defeat in the Deputy Leadership race.

<sup>65</sup> Bell, *op cit*, p. 51.

<sup>66</sup> Pierre Hutton, *After the Heroic Age: And Before Australia's Rediscovery of Southeast Asia*, Faculty of International Business and Politics, Centre for the Study of Australia-Asia Relations, Griffith University, November, 1997, p. 40

<sup>67</sup> *Ibid*, p. 156

Thus, it is clear that the relationship between Menzies and Casey is of crucial importance to an investigation of Casey's tenure as Minister for External Affairs. Woodard also believed that Menzies had a direct impact on Casey's performance. He stated that 'the Prime Minister's dominance in Australian foreign policy was accompanied by a decline in Casey's political influence'.<sup>68</sup> Alan Watt took a more restrained view of Menzies' relationship with Casey, highlighting the differences in ideals and experience between the two men. He stated that

Casey had held the portfolio for a period of almost nine years. His wide experience as British Minister of State at Cairo and as British Governor of Bengal, together with his frequent visits to Asian countries as Australian Minister for External Affairs, had given him a closer understanding of Asian problems and reactions than any other member of the Australian cabinet. By contrast, Menzies had little personal experience of Asia. A convinced 'Commonwealth' man, relying for Australian security primarily upon two 'great and powerful friends', namely Great Britain and the United States....<sup>69</sup>

Watt's appraisal of the differences in experience of Menzies and Casey is supported by Hudson's biography of Casey. Hudson argued that Menzies' background as a lawyer meant that he was 'used to arguing a case but then standing back while power was applied'. By contrast, Casey's diplomatic background made him 'less concerned about legality... and more concerned to avoid the play of rude power'.<sup>70</sup> The assessments of Watt, Hutton, and Hudson provide differing understandings of how, and why, Casey was unable to convince Menzies, and thereby the cabinet, to institute his foreign policy. It appears that the animosity which existed between Menzies and Casey did not simply stem from the political ambitions of the two men, although that certainly may have played its part. The thesis will investigate further their relationship to enable a fuller judgement about Casey's ability to effectively implement his foreign policy initiatives.

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<sup>68</sup> Woodard, *op cit*, p. 87

<sup>69</sup> Watt, *op cit*, p. 260

<sup>70</sup> Hudson, *Casey*, *op cit*, p. 274

## ***CHAPTER 1: RAISING THE BAMBOO CURTAIN: RECOGNISING THE PEOPLES REPUBLIC OF CHINA, 1951-1960***

On 1 October 1949 the Chinese Communist Foreign Minister, Chou En-Lai, announced the formation of the People's Republic of China (PRC). In December Robert Menzies would win power in Australia, with the abolition of the Communist Party in Australia as a primary objective. On first appraisal, the political doctrines of these two regimes could not be further apart. It would therefore be assumed that the Menzies Government's response to the question of recognition of China would be to abstain. Although history shows that the Australian Government did not recognise China during Menzies' tenure, there was a concerted effort by Australia's External Affairs Department, and in particular Minister Richard Casey, throughout the 1950s to encourage the opening of relations with the PRC. This chapter will aim to elucidate how a member of Menzies' Cabinet, a man who in 1954 expressed the belief that 'we feel the hot breath of international Communism on our necks'<sup>1</sup>, could come to the conclusion that recognition of China was both possible and necessary. In his biography of Casey, W.J. Hudson made the extraordinary statement that if Casey had 'been allowed to establish diplomatic relations with China and to develop close rapport with some Chinese leaders (as inevitably he would have), subsequent Australian and regional history might have been very different – and much more pleasant'.<sup>2</sup>

This chapter will focus on how Casey and his department's policy towards China evolved throughout the 1950s in the face of international developments. Emphasis will be placed on Casey's handling of the questions of whether the PRC should be recognised as the legitimate rulers of China, and whether the communists should occupy China's seat at the United Nations. The relationship between Casey and his department, in particular key figures such as its Secretary, Arthur Tange, will be central to discussion of Casey's policy. Casey's inability to ultimately achieve his

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<sup>1</sup> R.L. Neale, 'India', in G. Greenwood and N. Harper(eds), *Australia in World Affairs, 1950-1955*, Cheshire, Melbourne, 1957, p.271.

<sup>2</sup> W.J. Hudson, *Casey*, Oxford University Press, Melbourne, 1986, pp. 287-8.

goal will be discussed in an attempt to determine the reasons for his failure to convince the government to recognise China. Casey's fractious relationship with Menzies and the great majority of his cabinet colleagues will be presented as one obstacle to Casey's success. Casey's adherence to a more European understanding of international relations, when his fellow Ministers were intent upon developing closer ties with the United States, will also be highlighted. This will illuminate how Casey's ideas on how to approach Communist China were to differ so significantly from the beliefs of his counterparts in the Menzies Administration. The dichotomy between Casey's approach to Communist China and the US's virulent opposition, which greatly hampered Casey's campaign, will also be discussed. It is hoped that, by focusing exclusively on these questions, this chapter will demonstrate the degree to which Casey sought to improve Australia's relations with its northern neighbours during his tenure by employing a more open approach to Australia's external affairs than has previously been associated with the Menzies administration of the 1950s.

#### *Initial responses to the PRC*

The question of recognition had been one of the most prominent issues in international affairs in the eighteen months leading up to Casey's appointment to External Affairs. On this matter Casey was presented with a policy that had already been set by his predecessors, H.V. Evatt and Percy Spender. Furthermore, the policies of Australia's most prominent allies, the UK and the US, had also already been determined. So Casey's room for manoeuvre on the issue was severely limited. To understand Casey's approach to the issue, it is important to briefly address how his predecessors and foreign counterparts had responded. Chou En-Lai's announcement coincided with Evatt's last months in office. Privately, Evatt supported recognition of the new regime on grounds that the communists were, in a legal sense, effectively in control of China.<sup>3</sup> However, Evatt had to take into consideration the upcoming Federal election, which was set to be closely fought. In the aftermath of the recent general coal strike, with the Opposition claiming that Chifley could not be relied upon to combat communism and the struggle over bank nationalisation, Chifley's prospects

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<sup>3</sup> Evatt expressed his views on the matter to UK Foreign Secretary, Ernest Bevin, in a message dated 4 October 1949. NAA, A1838, 494/2/10 Part 1.

at the election were diminishing.<sup>4</sup> Furthermore, Menzies made the fight against communism one of the touchstones of his campaign. In the prevailing hostile political environment, Evatt and Chifley chose to put the issue to one side rather than taking a position that would so closely align the government with communism.

Additionally, Evatt was also faced with the unenviable task of negotiating a course between the differing approaches of Australia's two most important allies, the US and the UK. The UK administration, led by Prime Minister Clement Attlee, decided almost immediately that, as Evatt had argued, the communists should be recognised due to their effective control of mainland China. Attlee was also driven by economic concerns and the precarious position of Hong Kong. Furthermore, Whitehall was reluctant to offend the Asian members of the Commonwealth, in particular the newly independent India. The problem for Evatt was that Whitehall sought consensus with its policy throughout the Commonwealth, and therefore sought Australia's approval. Evatt was also reluctant to offend the US. The Truman Administration had swiftly determined that recognition was not an option.<sup>5</sup> Among the more prominent reasons for this decision was the need to appease the so-called 'China bloc', which comprised a number of prominent individuals who supported the regime of the exiled Chiang Kai-shek.<sup>6</sup> The threat this group posed to the passage of the Marshall Plan dampened enthusiasm for recognition of the PRC. Truman's hand was also forced by the PRC's decision to place Angus Ward, the US Consul General in Mukden, under house arrest.<sup>7</sup> Furthermore, in January 1950 the communists seized the US Embassy in Peking, prompting the State Department to close remaining US Consulates in China and recall all remaining diplomats.<sup>8</sup> Furthermore, the panic, bordering on hysteria, in relation to communism following the 'loss' of China and the Soviet Union's acquisition of the atomic bomb, entrenched the US Administration's opposition to China. Thus, within months of the communists attaining power, the US Government's opposition to the new regime was cemented. Recognition was not an option, and would not be entertained in the immediate future.

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<sup>4</sup> Ken Buckley, Barbara Dale & Wayne Reynolds, *Doc Evatt: Patriot, Internationalist, Fighter and Scholar*, Longman Chesire, Melbourne, 1994, p. 350.

<sup>5</sup> Victor Kaufman, *Confronting Communism: US and British Policies Toward China*, University of Missouri Press, Columbia, 2001, p. 7.

<sup>6</sup> *Ibid.*, p. 12.

<sup>7</sup> *Ibid.*, p. 18.

<sup>8</sup> Ta Jen Liu, *US – China Relations, 1784-1992*, University Press of America, Lanham, 1997, p. 203.

The Truman Administration, and its Republican successors, differed greatly from the UK in their conceptual approaches of how to handle China and the issue of recognition. While the UK was quick to recognise, citing the inescapable fact that the communists' possessed total control of the Chinese mainland, the US was reluctant to offer recognition due to the belief that recognition constituted approval. The UK, as represented by Churchill in this instance, did not share this understanding of the situation, arguing that 'recognising a person is not necessarily an act of approval'.<sup>9</sup> The US also sought an assurance that the Chinese would act in accordance with international conventions. In effect, the US wished to use recognition as a carrot, in an attempt to make certain that the Chinese Communists would not pose any threat to other parts of Asia. The UK on the other hand simply focused on the legal facts of the situation. Furthermore, the US Administration had a much more monolithic conception of international communism than their UK counterparts. The much greater intensity of ill-feeling towards communism in the US, exemplified by McCarthyism, no doubt contributed to this heightened sense of the threat posed by communism. Conversely, the UK's greater affiliation with Asia, through its involvement in India, Singapore, and Malaya, and in particular due to its financial and strategic stake in Hong Kong, contributed to its adoption of a more objective appraisal of the region. It is therefore clear that, from the outset, the ways in which China and the issue of recognition were approached by the two most prominent Western powers differed greatly. As will be shown, this divergence was apparent in microcosm on the Australian scene, with Menzies, responding to domestic considerations and the need for national security, inclined to acquiesce to the US position, while Casey's beliefs, formed through interaction with international counterparts, corresponded more closely with those of Churchill and the UK Government.

In the prevailing climate Evatt chose to vacillate rather than committing to a course that might jeopardise the success of the government at the looming Federal election. Evatt's hesitation is illuminative in that it provides initial evidence of a government's inability to take action in the face of an electorate that was hostile to communism. Even in the case of Evatt, a strong advocate of recognition, the need to appease the greater electorate took precedence. This attitude would be indicative of the Menzies

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<sup>9</sup> Evan Luard, *Britain an China*, Chatto & Windus, London, 1962, p. 82

regime and would be a leading reason why Casey's efforts to have China recognised would prove fruitless. Casey's alternative reading of the situation, which diverged so markedly from Menzies and his cabinet colleagues, will therefore be discussed. Despite Evatt's hesitation, Percy Spender, the Opposition spokesman for External Affairs, immediately denounced the emerging communist regime. On 5 October, in the House of Representatives, Spender goaded Evatt, suggesting that the Minister for External Affairs was 'waiting for the moment he will be able to stand up in this chamber and say, "We recognise the *de facto* Government of China"'.<sup>10</sup> Spender was under no illusions as to the threat that the impending regime change would have on Australia's security. He was convinced that Russia orchestrated the events in China, stating that 'when Russia turned towards the west and found it could not penetrate Western Europe beyond its western zone in Germany, it directed its attention to the east'.<sup>11</sup> While Evatt had been somewhat ambiguous in his response to the PRC, the man who would replace him as Minister for External Affairs had no such reservations about voicing his views on the matter.

In his first major speech as Minister for External Affairs on 9 March 1950, Spender exercised a greater degree of restraint in his outlook, suggesting that there was 'still doubt and uncertainty about the way China is likely to act under the new regime'.<sup>12</sup> Furthermore, Spender tempered his views in regard to the degree to which the Soviets were behind the events in China, and even suggested that Western nations should assist China in 'the work of uniting and rehabilitating their country'.<sup>13</sup> He seemed to have been leaving the door open for Australia to maintain cordial relations with the PRC. Spender's seemingly amenable approach was further demonstrated by his decision to refrain from opening an Australian mission in Taiwan, despite the fact that the Australian Embassy on the mainland had been closed.<sup>14</sup> Although Spender chose not to recognise the communist regime it appears that he was reluctant to commit to the Nationalist China as well. However, Spender contended that the PRC would have to 'conduct itself in accordance with recognised principles of international law and

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<sup>10</sup> See *Commonwealth Parliamentary Debates* (CPD), House of Representatives(H of R), 5 October 1949, p. 964.

<sup>11</sup> *Ibid*, p. 964.

<sup>12</sup> CPD, H of R, 9 March, 1950, p. 626.

<sup>13</sup> *Ibid*, p. 626.

<sup>14</sup> Alan Renouf, *The Frightened Country*, Macmillan, South Melbourne, 1979, p. 315.

refrain from interfering in the affairs of neighbour states'.<sup>15</sup> He was also wary of the PRC's 'eager recognition of the rebel forces in Vietnam', hypothesising an early evocation of the 'domino theory,' and promised to closely monitor Chinese activities.<sup>16</sup> The new Australian Government's initial response to the PRC thus corresponded more closely with the US than its more traditional ally, the UK. The adverse response to recognition of Menzies and his government is not surprising given Menzies' past responses to communism in Australia, with his banning of the Communist Party of Australia (CPA) during his first tenure as Prime Minister in 1940.<sup>17</sup> When combined with the prominence of Menzies' opposition to communism in the recent election campaign – which had seen him receive the endorsement of the Australian electorate – and given his imminent attempt to dissolve the CPA, the prevalent attitude of the new Australian Government towards recognition was understandable and expected.

In response to Spender's speech, Evatt was finally in a position to outline his understanding of how Australia should approach the PRC. On 16 March, Evatt declared that 'some degree of recognition of Communist China cannot be deferred indefinitely'.<sup>18</sup> Evatt cited the actions of both the UK and India in recognising the PRC and argued that 'everybody knows that recognition does not imply the slightest sympathy with the internal politics of the government concerned'.<sup>19</sup> He noted the wide recognition of the Soviet Union, including by Australia, as an illustration of his point. Evatt believed that obligations, such as respecting territorial integrity, could be placed upon the Chinese in return for recognition.<sup>20</sup> While Evatt had been slow to articulate his views on the issue of recognition of China, it is apparent that his analysis of the situation was consistent with that of the UK. Despite Evatt's attempts to encourage the government to change its policy toward the PRC, Spender remained unmoved. On 8 June, Spender reminded the House that the Opposition had remained

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<sup>15</sup> Ibid, p. 626.

<sup>16</sup> Ibid, p. 626.

<sup>17</sup> Menzies used his national security legislation, created in response to the Second World War, as a means of banning the Communist Party. The ban was lifted following John Curtin's election as Prime Minister in 1942. David Lowe *Menzies and the Great World Struggle*, op cit, p. 66.

<sup>18</sup> CPD, H of R, March 16, 1950, p. 918.

<sup>19</sup> Ibid, p. 918.

<sup>20</sup> Ibid, p. 919.

silent on the issue of recognition when it was first raised, a time when the Opposition still ‘occupied the government benches’.<sup>21</sup>

On 6 July Australia’s entry into the Korean War placed the issue of recognition on hold for a prolonged period, considering China’s clandestine involvement in the conflict. The conflict in Korea marked an intensification of the Cold War which would greatly influence the actions of Western nations in ensuing years. China was declared an ‘aggressor’ nation and the US enforced financial and trade embargoes against the Chinese. Korea would prove particularly important to the fostering of closer ties between Australia and the US in that it reoriented US foreign policy towards Asia and heightened fears within Australia as to its security within the region.<sup>22</sup> Effectively, the Korean War encouraged Australia to seek an ally which could protect it from its hostile northern neighbours and prompted the US to respond positively to Australia’s overtures. The ANZUS Pact and the formation of SEATO would subsequently confirm this new orientation of the relationship between the US and Australia. When combined with the ‘loss’ of China, and given the prevalence of McCarthyism in the US at the time, the Korean War solidified US opposition to China and ensured that the idea of recognising the PRC was unfathomable for a majority of Americans. Furthermore, Australia’s newfound reliance on the US dictated that any divergence from US policy, particularly in regard to Communist China, would be unlikely. Therefore, at the very time Casey took charge of External Affairs, the issue of recognition of China was effectively settled for the foreseeable future, leaving Casey with little room to manoeuvre.

#### *Casey takes the reins*

Consequently, Casey had very little response to the question of recognition of China in the initial phase of his tenure. However, this is not to suggest that the issue was not on the Minister’s mind. One of Casey’s first major undertakings, at the behest of his Secretary Alan Watt, was to travel to Southeast Asia and East Asia to reacquaint himself with many of his contacts and to assess the political climate in the region, thereby determining how Australia should approach its role therein. As will be argued

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<sup>21</sup> CPD, H of R, 8 June, 1950, p. 4012.

<sup>22</sup> David Lowe discussed the degree to which the Korean War had a ‘radicalising, globalising effect on foreign and defence policy in Washington’, and the efforts made by the Menzies Government to strengthen US/Australian relations in *Menzies and the Great World Struggle*, op cit, p. 70.

throughout this, and following, chapters, this journey had a lasting impact on Casey and would influence many of his subsequent policies and ideas. This trip provided Casey with the opportunity to re-establish ties with the vast network of contacts that he had made throughout the region during his diplomatic career, while also giving him the chance to further expand this network.

As will be demonstrated, Casey placed major importance on face to face exchanges with his contemporaries in overseas governments and often based his assumptions and ideas on information gathered through these exchanges, rather than relying on communiqués and correspondence. Casey was more likely to base his understandings of a government's position on the outcome of a dinner party than on what was being said through official channels. This trip therefore gave him an initial opportunity to gauge the level of acceptance of the new Chinese regime. Casey was a highly experienced diplomat who had occupied various posts throughout his long career; most notably in Washington, London, Cairo and Bengal. His vast experience provided him with a wide variety of contacts which allowed him to have a greater understanding of the international scene than any of his fellow government counterparts, the Prime Minister included.<sup>23</sup> As will be shown later, Casey's focus on international affairs, and the voices he chose to listen to, in contrast to Menzies' and the rest of cabinet's greater domestic focus, would contribute to the gulf which existed between Casey and his colleagues on how to approach Communist China.

During the course of his trip, at the beginning of August, Casey visited Hong Kong. In a meeting with the Governor, John Keswick, Casey gave a first indication of his more liberal approach to China. In assessing the new regime in China, Casey affirmed that 'the best information available is that Chinese Communism has made a very considerable change for the better in the condition of China and in the well-being of the Chinese People'.<sup>24</sup> Furthermore, Keswick told Casey that Chiang Kai-shek was 'beyond redemption' and that the Americans' belief that he could regain control of the

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<sup>23</sup> Watt has argued that Casey had 'a closer understanding of Asian problems and reactions than any other member of the Australian cabinet. By contrast, Menzies had little personal experience of Asia.' See *The Evolution of Australian Foreign Policy 1938-1965*, Cambridge University Press, London, 1965, p. 260. Even one of Casey's most ardent opponents, Paul Hasluck, conceded that on External Affairs, Casey's experience was 'wider than most'. See Hasluck's memoir, *The Chance of Politics*, Text Publishing, Melbourne, 1997, pp. 86-7.

<sup>24</sup> See Casey diaries, 3 August 1951. National Archives of Australia (NAA), M1153, 49A.

Chinese mainland was unrealistic. Keswick believed that Western nations must come to terms with the PRC as soon as possible; however, he advised that no action could be taken in the prevailing climate. Despite this reservation, it is evident that very early in his tenure Casey was receiving advice suggesting that recognition of China was an appropriate avenue to explore.

Upon his return from Southeast Asia, Casey reported to cabinet detailing what he had learned.<sup>25</sup> Despite his positive thoughts of August, Casey presented a grim picture to his cabinet colleagues of the situation in Southeast Asia, and specifically the role of Chinese Communism. Casey described the speed of communist success in Asia as 'remarkable' and noted that Chiang Kai-shek had been 'evicted' from the Chinese mainland 'very quickly'.<sup>26</sup> Throughout the paper Casey touched upon his concern about the intentions of the PRC, believing that the Chinese Communists posed a major threat to Indo-China and, in an evocation of the 'domino theory', he believed that this would in turn threaten Burma, Siam, Malaya and Singapore.<sup>27</sup> With these fears of China in mind, and considering the continuing struggle in Korea, thoughts of recognition at this point were not even entertained, despite the fact that Casey and many of the diplomatic representatives he had spoken to had reached the conclusion that Chiang Kai-shek could 'no longer be expected to re-present a card of re-entry into the Chinese mainland'.<sup>28</sup> Domestically, the prospect of opening relations with the Communist Chinese was unlikely considering Menzies' continuing efforts to have the CPA banned. Furthermore, at this time, Menzies was openly discussing the prospect of a full-scale war with communist forces within the next three years.<sup>29</sup>

Casey's conviction that recognition of the PRC should be denied was further demonstrated during the Australian delegation's preparations for the meeting of the United Nations General Assembly in Paris in November 1951. Casey told Watt that

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<sup>25</sup> The full text of this paper titled 'Report on visit to South-East Asia and East Asia by Minister for External Affairs', can be found in the NAA, A4905, 129.

<sup>26</sup> Ibid, p. 7.

<sup>27</sup> Ibid, p. 1.

<sup>28</sup> Ibid, p. 4.

<sup>29</sup> David Lowe discusses Menzies belief in an imminent world conflict in chapter 3 of *Menzies and the 'Great World Struggle': Australia's Cold War 1948-1954*. While many commentators have taken a cynical approach to Menzies' assertion, believing that he was trying to provide validation for his campaign against communism, Lowe argued that Menzies legitimately believed that full-scale war was imminent.

he intended to propose deferring debate about which government, nationalist or communist, should occupy China's seat at the UN.<sup>30</sup> Casey's main reason for advocating deferment was that the UN had deemed the PRC to be 'aggressors' in the Korean conflict. More bluntly, Casey reminded the Assembly of the casualties Australia was suffering in Korea 'at the hands of the Peking Government's forces'.<sup>31</sup> Clearly, the Australian Government, and its Minister for External Affairs, would not be willing to contemplate recognition of the PRC while hostilities in Korea continued.

Yet, in spite of Casey's seemingly unequivocal approach at the General Assembly, he was still privately considering the case for recognition. On his return trip from the UN Assembly Casey briefly visited Canada. Casey had built a significant relationship with the Canadians over a number of years, in particular during his time in Washington in the early 1940s, and he would continue to place considerable emphasis on his exchanges with Canadian officials throughout his tenure at External Affairs. As he himself stated, he would make a point of having discussions with Canada's External Affairs Department at every opportunity and he found the process 'interesting and useful', in that it provided him with a frank assessment of where Canada stood on many issues.<sup>32</sup> On 1 December 1951, Casey spoke to members of Canada's External Affairs Department about recognition.<sup>33</sup> Casey was told that Canada had been extremely close to recognising China when the Korean conflict commenced. Furthermore, the Canadians believed that when hostilities in Korea ceased the next logical step would be to recognise China and include it in the UN. Norman Robertson, the Clerk of the Privy Council, told Casey that he believed that prominent members of the US State Department realised that Nationalist China could not regain control of the Chinese mainland but the State Department was forced to 'live a lie' due to domestic concerns, most notably the influence of McCarthyism.<sup>34</sup>

On 8 December, in Washington, Casey received further positive feedback on the issue of recognition. The Canadian Ambassador, Hume Wrong, echoed the sentiments of

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<sup>30</sup> See cablegram from Casey to Watt, 13 November 1951. NAA, A1838, 854/10/24, Part 3.

<sup>31</sup> Ibid.

<sup>32</sup> Casey diaries, 10 September 1955. NAA, M1153, 49C.

<sup>33</sup> The Minister, Lester Pearson, and the Head of the Department, Heeney, were not present at this meeting. Among those attending were Pearson's assistant Jean Lessage and Heeney's Deputy Escott Reid. NAA, M1153 49A.

<sup>34</sup> Ibid.

Robertson in his statement that no 'State Department man of consequence (from Acheson down) still believes in Nationalist China'.<sup>35</sup> However, Wrong further developed the argument of his colleagues by surmising that a joint move by Australia and Canada to de-recognise Chiang Kai-shek's regime might make it less difficult for the US to do the same, which in turn would increase the prospects of recognition of the PRC. This exchange would prove important to Casey's understanding of the issue, as will be demonstrated later, in that Casey would often base his advocacy of recognition on the idea that Australia could help the US to alter its policy. Wrong also provocatively claimed that granting the PRC admission to the UN 'would ease the acid attitude of Peking'.<sup>36</sup> Tellingly, Casey agreed. On 11 December Casey dined with a number of prominent individuals, most notably Justice Jackson, of the Supreme Court, and Tom Finletter, the Secretary for Air.<sup>37</sup> Casey told the gathering that during his trip he had gained the impression that Nationalist China was incapable of regaining control of the mainland. In response Casey noted that none of those in attendance believed that present US policy on the matter was right and that it was becoming increasingly necessary to recognise 'the international facts of life'. Casey was clearly becoming more attuned to the prospect of recognition. His conciliatory attitude is remarkable considering the proximity of this meeting to his more damning speech at the General Assembly. This suggests that, while Casey was prepared to publicly support the government's negative position on China, privately he was much more open to the idea of commencing diplomatic negotiations with the PRC, in particular in light of the information he was receiving from his foreign counterparts. The apparent dichotomy between Casey's public utterances and his private beliefs illustrates that an accurate appraisal of Casey's foreign policy cannot simply rest upon a study of his outward demeanour.

The divergence between Casey's private beliefs and his public statements may be put down to his own beliefs corresponding more closely with those of the UK and other European powers, rather than the US. The UK had vast investments in eastern Asia, most notably in Hong Kong, which they wished to protect. The maintenance of cordial relations with China was paramount to achieving this end. The US on the

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<sup>35</sup> Casey diaries, 8 December 1951. NAA, M1153, 49A.

<sup>36</sup> Ibid.

<sup>37</sup> Casey diaries, 11 December 1951. NAA, M1153, 49A.

other hand was much more concerned with the need to oppose communist expansion in the region, and furthermore its allegiance lay with the exiled nationalists on Formosa. The war in Korea only heightened the US position. Australia was in the process of reorienting itself towards the US, as most prominently shown by the signing of the ANZUS treaty, which dictated that the Australian Government would be more inclined to accede to US policy on the issue. Casey was placed in a position where he had to be seen to publicly support the US, even if he was privately less inclined to their way of thinking.

Despite Casey's private change of heart, in September 1952 he reiterated his opposition to China in a lecture he gave on Australian foreign policy in Brisbane.<sup>38</sup> Casey was concerned that the PRC might follow the example of other dictatorships by neglecting 'cultivating her own garden', and seeking to expand her borders, with the aid of the many overseas Chinese nationals throughout mainland Asia and Southeast Asia.<sup>39</sup> Casey continued to espouse the judgement that if China were left to its own devices, the Western democracies would come under threat. It is evident that, regardless of his inner thoughts, Casey and the Australian Government would not contemplate a change of policy in regards to recognition of China until it was clear that the PRC did not intend on expanding its borders beyond its traditional boundaries. Evidently, the cessation of hostilities in Korea would be necessary before recognition could be placed on the agenda.

### *Ceasefire in Korea, 1953*

With the conclusion of the Korean conflict in July 1953, the prospect of recognition of the PRC and allowing it to occupy China's seat at the United Nations became more palatable. Within weeks of the signing of the Armistice, Casey was openly discussing in cabinet the issue of how to approach China.<sup>40</sup> Casey felt that it was becoming increasingly important to open a dialogue with the Communist regime; the reasons being that the communists had achieved effective control of the mainland and as a means of preventing the new regime from moving 'closer into the arms of

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<sup>38</sup> See R.G. Casey, *The Conduct of Australian Foreign Policy*, Roy Milne Memorial Lecture, 25 September, 1952, issued by the Australian Institute of International Affairs.

<sup>39</sup> *Ibid*, p. 26.

<sup>40</sup> See Cabinet Submission No. 49, 'Some Current Matters of International Affairs', dated 14 August, 1953. NAA, A1838, 3107/33/1, Part 1.

Moscow'.<sup>41</sup> Casey clearly subscribed to the sentiments of the UK Government in wishing to prevent the Chinese and Soviet Communists from becoming a monolithic force, yet he was not wholly convinced that recognition was the correct way to achieve this. He remained unimpressed by China's subversive role in Korea, placing emphasis on China's involvement in 'active hostilities against Australian and other troops'.<sup>42</sup> The attitude of the United States was also of critical importance, particularly in light of the still relatively recent signing of the ANZUS Pact and considering the Australian Government's continued overtures to the US administration to take a greater interest in the Pacific region. Casey noted that the US continued to deny recognition on the grounds that no nation should be allowed to 'shoot its way into respectability'.<sup>43</sup> Casey was eager not to displease the US administration, taking the view that it was 'common sense that we should not be too much out of step with a country whose co-operation is essential to Australian security'.<sup>44</sup>

Casey also observed that although the United Kingdom had extended recognition to the PRC in 1949, the Chinese had yet to allow a British Ambassador to be installed in Peking and no Chinese Ambassador had been sent to London.<sup>45</sup> Casey therefore questioned the feasibility of recognising a government that does not recognise one's own government in return. He was also concerned about the complexities that arose from how to approach Chiang Kai-shek's exiled regime on Formosa. In particular, Casey was unsure if it was realistic to recognise Chiang's regime as the government of Formosa when the Chinese population of the island represented a minority. However, he was also concerned that giving the PRC the UN seat currently occupied by Nationalist China would allow the communists' access to the UN Security Council which would in turn give them the right of veto. Casey was forced to accept that the inherent problems posed by the question of Chinese recognition and UN admission meant that Australia's should adopt a 'wait and see' approach.<sup>46</sup> However, he still encouraged cabinet not to rule out the prospect of recognition, believing that it 'may well be inevitable'. He simply felt that the present time was not suitable, due in large

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<sup>41</sup> Ibid, p. 2.

<sup>42</sup> Ibid, p. 2.

<sup>43</sup> Ibid, p. 2.

<sup>44</sup> Ibid, p. 2.

<sup>45</sup> Ibid, p. 3.

<sup>46</sup> Ibid, p. 3.

part to the aggressive posture the US was taking against the question of recognition. Casey was fearful that any hasty decision by the Australian Government may actually hinder the process of opening relations with China, in that the US might be forced into a position from which it might later 'find it difficult to move from'.<sup>47</sup>

In the ensuing months Casey, and Menzies, were questioned a number of times about the Australian Government's intentions toward Communist China. In September 1953, both Menzies and Casey maintained that recognition was not on the agenda.<sup>48</sup> On 10 October, when asked if recognition would help solve the problems in Korea, Casey responded in the affirmative but expressed his conviction that it was 'too early in the day' for recognition to be considered due to the fact that 'the cannons are barely cold in Korea, and the armies of the two sides are facing each other across just a narrow no-mans land'.<sup>49</sup> When pressed about why Australia's policy seemed to correspond more closely with that of the US rather than the UK, Casey asserted that the US contribution of 'about 90% of the effort in Korea' gave them the right to have a 'considerable say in arrangements for bringing the peace into being'.<sup>50</sup> Casey therefore continued, at this stage, to defer to the judgement of the United States. Yet it remained evident that should conditions change, Casey was not averse to the idea of commencing negotiations with Peking. Menzies was also reluctant to change the government's position in regard to China, noting that the 'present state was one of armistice and not of peace' which precluded any discussion of recognition of China.<sup>51</sup> Evidently, as 1953 neared its end, the possibility of Australia recognising the PRC still appeared to be remote. A successful outcome at the peace negotiations in Geneva would be crucial if there were to be any chance of altering this negative outlook.

#### *A change in the atmosphere: the 1954 Geneva negotiations*

The Peace Conference in Geneva was set to commence on April 27 1954. The degree of importance Casey was placing on the negotiations was demonstrated as early as September 1953, in a private meeting with Dean Acheson, the now former Secretary

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<sup>47</sup> Ibid, p. 3.

<sup>48</sup> The statements made by Menzies and Casey on China were detailed in a draft compiled by the East Asia Section of the Department of External Affairs on 4 August, 1954. See page 2 of the draft. NAA, 1838, 3107/33/1, Part 1.

<sup>49</sup> See transcript of interview for the BBC, London, NAA, A10299, C3.

<sup>50</sup> Ibid.

<sup>51</sup> Ibid, p. 2.

of State. The two men surmised that recognition could not be considered until China's response to the negotiations over Korea and Indochina was taken into account.<sup>52</sup> On 2 November, Casey observed that a swift resolution to the conference in Geneva would further strengthen what he perceived as an improved world political atmosphere.<sup>53</sup> The following day in *The Age* he stated that, 'In principle, Red China should eventually be admitted to the United Nations'.<sup>54</sup> However, Casey prefaced this remark by saying that Communist China must prove 'its bona fides in the Korean negotiations' thereby giving the world 'confidence that it was a peace loving nation'.<sup>55</sup> Casey was seemingly warming to the idea of opening relations with the Chinese.

Casey's adoption of a more positive approach was even more apparent in the days immediately prior to the conference. On 18 April 1954 Casey drafted a telegram intended for Menzies, to detail his understanding of the present situation.<sup>56</sup> Casey was adamant that negotiation was the only way to resolve the conflict and he openly advocated the prospect of using recognition as leverage. Moreover, he believed that it was becoming increasingly necessary to include the PRC in the UN as a means of bringing the communists 'more under the eyes of the world', and consequently making them more accountable for their actions. Casey was clearly envisaging the upcoming Conference as a first step in the process of having the PRC recognised and admitted to the UN. Casey was so determined in his beliefs that he raised the idea of using recognition as a bargaining chip with the US Secretary of State, John Foster Dulles.<sup>57</sup> Dulles rejected the idea, but noted that he had 'never said that the United States would never recognise Peking', and he gave the impression that a positive attitude by the PRC could prompt the US to alter its policy. The positive sentiments made by his foreign counterparts, in particular Dulles, no doubt contributed to Casey's increasing endorsement of recognition.

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<sup>52</sup> Casey diaries, 5 September 1953. NAA, M1153, 49A.

<sup>53</sup> Casey's comments can be found in the summary of a press conference he delivered upon his return from overseas, on 11 November 1953. NAA, 1838, 3107/33/1, Part 1, p. 435.

<sup>54</sup> *The Age*, 3 November 1953, cited in NAA, A10299, C3.

<sup>55</sup> *The Argus*, 27 October 1953, cited in NAA, A10299, C3.

<sup>56</sup> Casey diaries, 18 April 1954. NAA, M1153, 49B.

<sup>57</sup> Casey diaries, 23 April 1954. NAA, M1153, 49B.

During his time in attendance at the Geneva Conference, Casey spoke to several officials from around the globe. On 1 May, Casey spoke to Canada's Ambassador to Norway, Ronning, who told him that 'the Peking Government want 'recognition' more than anything else'.<sup>58</sup> Ronning believed that the PRC wanted 'to be regarded as one of the great powers', with which Casey concurred. Casey showed a degree of frustration with the stand-off between the US and the Chinese when he stated that

The Americans say to them, 'You show yourselves civilised and peace-loving and then maybe we'll recognise you' – when the Chinese in effect say, 'You recognise us and then we'll be normal'. The hen and the egg.<sup>59</sup>

This example illustrates the differences that existed between Casey's approach to recognition and the US Administration's appreciation of the issue. Casey applied a more European approach, believing that if a government controlled a nation it should duly be recognised. Casey did not consider the granting of recognition as implying approval. On the other hand, US policy makers determined that a nation needed to earn the right to gain recognition. Furthermore, as Casey stated, the US sought to use the issue as an incentive to force the Chinese to act in accordance with US and UN principles. Despite Casey's vast experience in Washington, and his array of contacts among US policy makers, he clearly did not subscribe to the US position in this instance. The divergence between Casey's and the US's understanding of how to tackle the issue of recognition would prove to be a major stumbling block in Casey's effort to change Australia's policy, as Menzies and his cabinet were much more concerned with placating the Truman Administration, in the interests of Australia's national security.

Casey understood that the US Government would be hard-pressed to convince the general American public that recognition of China should be considered, believing that public opinion 'cannot be changed quickly'.<sup>60</sup> He also felt that there would be no room to manoeuvre before the imminent US Congressional elections, due in November. He held onto some hope that US policy might be changed after the elections but this would only happen 'if the Administration had the courage to try to

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<sup>58</sup> Casey diaries, 1 May, 1954. NAA, M1153, 49B.

<sup>59</sup> Ibid.

<sup>60</sup> Ibid.

educate public opinion – but it would be a tough and difficult job’. Ronning felt that the negotiations in Geneva would be greatly helped ‘if only the Chinese could be told that recognition (or perhaps rather their entry into the UN) were not impossible at some not too distant date’.<sup>61</sup> He also believed that the UN could grant the PRC recognition without US consent, if the US could be convinced not to use their right of veto if the PRC had the numbers.

Casey’s progress towards a positive outlook on the issue of recognition was considerably hastened after he secured an audience with the Chinese premier, Chou En-Lai. Casey was immediately impressed with Chou, noting that he had ‘quite a good face....with a good-looking eye’.<sup>62</sup> In a meeting that would last for around three quarters of an hour, Casey and Chou touched on a number of subjects such as the likelihood of Chinese expansionism in Southeast Asia and Chou’s thoughts on the present negotiations. It was not until the meeting was almost over that Casey chose to raise the prospect of recognition and admission to the UN. He told Chou that there were still a number of ‘hurdles to be overcome’ before this issue could be properly addressed, to which Chou responded that China was legitimately entitled to a place at the UN.<sup>63</sup> Chou was particularly concerned that the US was attempting to surround China with bases, believing that wherever he looked, he ‘found evidence of intense American hostility’.<sup>64</sup> Casey’s response to this illuminates the Minister’s evolving understanding of the situation. Casey admitted to Chou that there was ‘a lack of confidence on each side’, believing that a positive outcome to the Geneva talks ‘might improve this condition a good deal’. The conciliatory tone in this statement suggests that Casey, after having cordial discussions with a prominent member of the Chinese administration, envisaged the possibility of peaceful relations between the PRC and the Western world.

Casey’s new-found respect for the Chinese was further emphasised by Casey’s parting remarks to Chou. Casey told Chou that he ‘thought that personal contacts like this were most useful’, and, more tellingly, that Chou had been ‘up to now, merely a name in the newspapers, whereas now he was a personality and a man I had looked in

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<sup>61</sup> Ibid.

<sup>62</sup> Casey diaries, 18 June 1954. NAA, M1153, 49B.

<sup>63</sup> Ibid.

<sup>64</sup> Ibid.

the eye'.<sup>65</sup> For an experienced diplomat such as Casey, who placed vast significance on personal contact, this meeting with Chou En-Lai would prove to be a defining moment in his path towards a more optimistic policy toward Communist China. The subsequent outcome of the peace talks in Geneva, with a settlement achieved between the opposing parties, further strengthened Casey's positive outlook. On 29 September 1954, during a dinner with a number of prominent members of *Time-Life International*, Casey stated that the US was essentially the only democratic nation against recognition.<sup>66</sup> While he conceded that US public opinion would be slow to change he felt that the chances were improving, and he reiterated his belief that recognition was in the best interests of the UN.<sup>67</sup> Casey also dismissed the relevance of the Nationalist regime, stating that

...Chiang Kai-shek would never be a millimetre more important than he was today, and that Peking was unlikely to be a millimetre less important than they were today. To continue to regard Chiang Kai-shek as 'China' was quite unreal.<sup>68</sup>

This demonstrates the extent to which Casey was now committed to the need to commence formal relations with the Communist Chinese Government. A number of the representatives at this gathering were of the opinion that the coming US election would see the installation of the Democrats as the new government, which would 'make for less difficulty in working towards the recognition of Peking.'<sup>69</sup> It therefore appears that Casey's changing understanding of the situation was in tune with many of his contemporaries.

Casey's increasing dedication to improving relations with China and other parts of Asia and Southeast Asia was also shown in a message he sent to Menzies on 18 August 1954. He told Menzies that Australia faced the problem of appearing to be an American 'satellite' in the eyes of many Asian nations.<sup>70</sup> Casey believed that he had convinced Nehru that Australia was not subservient to the US, but he observed that

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<sup>65</sup> Ibid.

<sup>66</sup> Casey diaries, 29 September 1954. NAA, M1153, 49A. Among those present at this dinner were CD Jackson, Editorial Director of Time Publications, John K. Jessup, Chief Editorial Writer of Life, and David Ryus, the Business Manager of Time-Life International.

<sup>67</sup> Ibid.

<sup>68</sup> Ibid.

<sup>69</sup> Ibid.

<sup>70</sup> Letter from Casey to Menzies, 18 August 1954. NAA, M3401, 21, p. 1.

Australia could make a 'significant contribution to the international political scene' through the injection of new ideas and by acting as a 'go-between, accelerator or brake, according to circumstances'.<sup>71</sup> It is therefore evident that Casey was becoming more interested in Australia adopting an independent foreign policy which was not simply dictated by the actions of the US. He determined that Australia was best placed to make a contribution in the Southeast Asian region, and he identified the need to develop 'stable, democratic and friendly governments' in Asia as 'buffer states' between Australia and the communist drive south, which is a concept which will become more important to discussion in the following chapters of the thesis. Therefore, while Casey was committed to strengthening ties between Australia and Asia, he clearly hoped that the governments Australia found itself dealing with were politically acceptable. Casey was clearly growing more attuned to the need to focus Australia's energies on improving ties with Asia, and it will be shown that the quest to open relations with China became a key element of this policy.

Casey's attitude had changed quickly considering it was only in the previous September that he had ruled out the possibility of recognition of Communist China or its entry into the UN. It seemed that the time was almost ripe when Casey would attempt to convince his government that a shift in policy toward China should be considered. However, while the Minister's ideas were evolving, Menzies would still take some convincing. In July 1954 Amos Peaslee, the US Ambassador to Australia, approached Menzies to criticise the seemingly growing positive sentiments toward recognition in the Australian press.<sup>72</sup> Menzies stressed that cabinet was not considering recognition due to other issues, such as Korea, taking precedence. On 8 July, Menzies commented at a press conference that 'I do not discuss recognition of my enemy while I am in the field with him'.<sup>73</sup> Although settlement had not been reached in Geneva when these statements were made, it is evident that Casey would face significant opposition if he was to persuade his cabinet colleagues to alter policy.

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<sup>71</sup> Ibid, p. 2.

<sup>72</sup> Arthur Tange, Secretary of the Department of External Affairs, sent a telegram to Spender, Australia's Ambassador to Washington, on 7 July 1954, detailing Menzies' discussions with Peaslee. NAA, A4968, 25/23/1, Part 4.

<sup>73</sup> See document entitled 'Red China: Comments by the Prime Minister at a Press Conference' dated 8 July 1954. NAA, A5462, 3/12/2, Part 1.

*A veiled reference: Casey's first attempt to put recognition on the agenda*

At the same time that Menzies was endorsing the continuation of Australia's negative policy towards China, the Department of External Affairs was becoming more forthright in its push to have the Chinese regime recognised. This strengthening of the department's resolve can largely be attributed to the installation of Arthur Tange as Secretary in February 1954.<sup>74</sup> Tange, at 39 years old, was a more vocal proponent of Australia's need to have a close relationship with its northern neighbours and, as will be demonstrated, he was a much more visible presence than his predecessor. On 9 July 1954, when K.C.O. Shann, the Assistant Secretary of the UN Branch, discussed Australia's need to alter its policy towards China with Tange.<sup>75</sup> While Shann acknowledged that US policy had not progressed, he was impressed by the unusually co-operative conduct of the Chinese in Geneva, believing that their efforts for peace were sincere. When combined with positive appraisals of Chou En-Lai, Shann believed China's performance at Geneva had shown that it had ceased its aggressive posture. He proposed that Australia think seriously about altering its policy at the coming meeting of the UN in New York. While still seeking to appease the US, he believed that if 'highly respected' and 'reliable' countries like Australia were to take action then the US may be convinced to review its position.<sup>76</sup> He felt that Chinese participation in the UN would strengthen the organisation and benefit Australia by increasing UN involvement in affairs 'in the area of the world most vital to us'. Shann was also particularly concerned that Australia could soon face the prospect of being one of only two nations in the Commonwealth – the other being South Africa - yet to recognise China. When this document was produced both Canada and New Zealand were seriously considering the issue of recognition. Shann was worried that Australia would find itself isolated from its traditional allies in Europe and Asia, which could leave Australia 'in the company only of the United States and an assorted crew of Latin Americans'. The tide of opinion had clearly begun to shift within External Affairs by the end of 1954.

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<sup>74</sup> See Peter Edwards, *Arthur Tange: Last of the Mandarins*, Allen & Unwin, Sydney, 2006, pp. 66-82.

<sup>75</sup> See Doran and Lee (eds), *Documents on Australian Foreign Policy: Australia and Recognition of the People's Republic of China 1949-1972*, Department of Foreign Affairs and Trade, Canberra, 2002, pp. 83-5.

<sup>74</sup> *Ibid*, p. 84.

<sup>75</sup> See Outward Telegram from Spender to Casey dated 8 October 1954. NAA, A10299, D8, p. 8.

In addition to the positive sentiments being expressed within the External Affairs Department, Casey was also receiving positive feedback about recognition from unexpected quarters. Casey and Spender were becoming increasingly aware of a shift in temperament within the US State Department. On 8 October, Spender told Casey that he was ‘convinced that Dulles and others are continually casting about for ways in which the US can be led to adopt a more realistic attitude’.<sup>77</sup> Although Spender acknowledged opposition from the Department for Far Eastern Affairs, in particular its Assistant Secretary, Walter Robertson, he was adamant the Dulles was a ‘good deal less rigid’.<sup>78</sup> He also noted that there were a number of other officials who were more open to China but were hesitant to voice their opinions publicly. Spender believed that these proponents of a positive re-appraisal of US policy were being restricted by the prevailing public opinion and the viewpoints of individuals such as Knowland and Radford. Spender suggested to Casey that, if the opportunity presented itself, he should seek to influence US thinking on the matter.

Subsequently, following an ANZUS Council meeting in Washington on 11 October 1954, Casey spoke to Douglas McArthur Jnr, the Counsellor to the Secretary of State. Casey proposed that Australia could help the US progress towards recognition by making a statement ‘designed to “trigger off” a change in attitude towards Communist China’.<sup>79</sup> He understood the difficulties that would be faced but he felt that an agreed statement at the right time would ‘start the ball rolling’. McArthur took note of Casey’s proposal and suggested that it ‘might be very useful’. Later that day, Casey spoke to Acheson on the subject. Acheson acknowledged that the time had come to think seriously about how the existing ‘impossible situation’ could be changed.<sup>80</sup> These exchanges are of particular importance to an analysis of the development of Casey’s policy in that it provides evidence of the encouraging, private, signs Casey was receiving from his counterparts in the State Department. The increasing prevalence of positive attitudes within the US political scene, and the idea that Australia could positively influence the US’s progress towards recognition, would play a significant part in Casey’s decision to approach Menzies with the idea of placing the issue on the Australian Government’s agenda.

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<sup>78</sup> Ibid, p. 7.

<sup>77</sup> Casey diaries, 11 October 1954. NAA, M1153, 49B.

<sup>78</sup> Ibid.

On 10 December 1954, Casey made his first approach to Menzies. As Shann had suggested, Casey was keen to make some move during the United Nations General Assembly in New York. He wrote to Menzies that he had considered making 'a veiled reference' to the recognition of Communist China, but had been dissuaded by the thought that such a move may have influenced the outcome of debate on Dutch New Guinea.<sup>81</sup> Casey intended to refer to the recent signing of a security pact between Nationalist China and the United States, stating that this pact could pave the way for avoiding war 'if the Chinese Communists can be brought to see the futility and irresponsibility of pursuing their aims by force of arms'.<sup>82</sup> Casey considered that the signing of this pact would ensure the safety of Formosa which was one of the major obstacles which had prevented the Australian Government from recognising China in the past.

In light of these new circumstances, Casey felt that recognition of the PRC was a realistic possibility. He again acknowledged Peking's control of mainland China'.<sup>83</sup> While he opposed the communists' methods of achieving power and rejected their political doctrine, he felt that dialogue with Peking was necessary if solutions were to be found to many of the region's problems.<sup>84</sup> Casey justified his push to open relations with the PRC by pointing out that the communist administration and Western nations had been involved in discussions in recent times, outside of the UN, most notably in Geneva, where agreements had been reached. Furthermore, the attempt to settle matters in Korea and Indochina would have been impossible without some contact with the Communist regime. Casey also felt that it was not in the best interests of the Western nations to 'encourage the rulers of Peking to live isolated in their own propaganda and their own dogmas', and he also wished to avoid a situation where the PRC would 'acquire their picture of the world' from 'their Soviet Communist elder partners'.<sup>85</sup> In these sentiments, Casey again mirrored the doctrine of the UK Government, which had based its recognition of the Communist regime on preventing China becoming too closely aligned with Russia. We can now see why Casey suggested to Menzies that he was making a 'veiled attempt'. Casey was

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<sup>81</sup> See letter, with attachment, from Casey to Menzies dated 10 December, 1954. NAA, A10299, C3.

<sup>82</sup> Ibid, p. 1 of attachment.

<sup>81</sup> Ibid, p. 1.

<sup>82</sup> Ibid, p. 1.

<sup>83</sup> Ibid, p. 2.

certainly not in any way seeking to endorse the Communist regime, but he realised that it was inevitable that formal relations needed to be conducted between the PRC and the Western world.

Casey's admonishment of the Communist regime centred on the PRC's defiance of international agreements, and its inability to adhere to the basic principles of the UN Charter.<sup>86</sup> He instanced the continued detention of American prisoners taken during the Korean War as proof that the PRC had not conformed to international conventions. Casey was critical of the PRC's indifference towards those countries which had extended recognition to them, noting that the exchange of diplomatic representatives had yet to take place in a number of cases. He also reiterated his conviction that recognition of China did not include any acknowledgement of the PRC's claim over Formosa. While Casey was eager to place the issue of recognition of the PRC and admission to the UN on the agenda, his position on communism had clearly not softened. This is particularly evident in his statement that 'international communism in Asia...will continue to work with zeal and cunning to absorb the whole of South-East Asia'.<sup>87</sup> As he told Menzies, he was having 'a little both ways'.<sup>88</sup> This is an intriguing statement in that it encapsulates Casey's efforts throughout the period. As will be demonstrated, Casey quite often raised the issue of recognition while maintaining reservations, such as admitting that the timing was not right. In this instance, however, Casey felt that circumstances necessitated that Australia, and its Western counterparts, would have to at least entertain the prospect of opening relations with Communist China in an attempt to stabilise the international political climate.

In addition to this, Casey contended that this was the most opportune time for making such a move. He believed that the Australian press was largely in favour which would mean that the government would not receive a negative reaction from that quarter. More importantly, Casey had gained the impression on his most recent visit to the US

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<sup>86</sup>Ibid, p. 2.

<sup>87</sup> Ibid, p. 2.

<sup>88</sup> See letter dated 10 December 1954, op cit.

that ‘the top end of the State Department that some lead like this would not be ill taken’.<sup>89</sup> More pointedly, he felt that

Now that the American election is behind them, the minds of a number of them seem to me to be hoping that some more realist attitude towards Peking can be brought about – but it is very hard for them to take the lead themselves, as they are prisoners of their past statements and attitude.<sup>90</sup>

Casey’s conversation with McArthur had clearly given him the impetus to approach Menzies. Yet despite Casey’s optimism, Menzies could not be convinced that the time was right. In response to Casey’s proposition, he wrote on the document that this ‘has been fully discussed in Cabinet, which does *not* favour a change’.<sup>91</sup>

During the early months of 1954, Casey had been experiencing some degree of friction in his relationship with Menzies and cabinet. In previous months Casey had received harsh treatment in cabinet, in regard to his pleas for defence expenditure to be increased, and over his Colombo Plan estimates.<sup>92</sup> On 29 July Casey approached Menzies to discuss the situation, claiming that he believed

...it was essential that the Prime Minister and Minister for External Affairs should be on terms of easy confidence with each other and that it was very difficult to do my work in the absence of this sort of relationship.<sup>93</sup>

In response to Menzies’ subsequent protestations, Casey stated that he ‘had the very definite impression over a considerable period of time that this was the situation’.<sup>94</sup> It is therefore evident that Casey felt a significant degree of isolation at this time, which may have influenced his ability to convincingly, and confidently, argue the case for recognition.

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<sup>89</sup> Ibid.

<sup>90</sup> Ibid

<sup>91</sup> Doran and Lee, op cit, p. 87.

<sup>92</sup> Hudson, op cit, p. 265.

<sup>93</sup> Ibid, p. 265.

<sup>94</sup> Ibid, p. 265.

Casey also raised Menzies' ire during this period with his handling of the signing of the SEATO treaty, during September. In signing SEATO, the US chose to include a reservation whereby it would only be compelled to respond to the treaty where there was a threat of communist expansion.<sup>95</sup> Casey was instructed by cabinet that, in the event of the US including such a reservation, Australia should respond in kind. After discussions with Dulles, and with the prospect of the entire treaty falling apart, Casey chose to disobey cabinet and signed the treaty without reservation.<sup>96</sup> Menzies and cabinet were incensed by this seemingly flagrant act of defiance; however Casey's subsequent absence from Canberra on overseas duties and Watt's spirited defence of his Minister allowed Casey to face a less hostile reception upon his return than may have been expected.<sup>97</sup> However, this episode no doubt caused significant harm to Casey's status with both the Prime Minister and the cabinet, which would in turn hamper his future efforts to alter Australia's policy towards China.

Allen Brown, the Secretary of the Prime Minister's Department, was vehemently opposed to Casey's proposal.<sup>98</sup> While Brown realised that Casey had simply been seeking to make a speech which opened up debate on the topic, he was adamant that no such action should be taken. First among his objections was the 'rather left-handed method' that the Chinese had taken in their approach to previous offers of recognition, most notably from the UK, exemplified by the PRC's decision to only accept a *Charges d'Affaires* rather than an Ambassador.<sup>99</sup> Furthermore he noted that the UK had yet to approve the PRC's claim to a seat at the UN. Brown was unconvinced by the apparent softening of China's policy and he believed that Casey's proposal would in no way satisfy Chinese aspirations. He was also resolute that no action could be taken until the safety of Formosa was assured; in short, 'Formosa first, recognition later'.<sup>100</sup> He feared that Australia's defence would be jeopardised if the US sought to recognise China without first settling the issue of Formosa.<sup>101</sup> In the present climate,

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<sup>95</sup> Ibid, p. 267.

<sup>96</sup> Ibid, p. 268.

<sup>97</sup> Ibid, p. 268.

<sup>98</sup> Brown sent a message to Menzies about Casey's proposal on 28 December 1954. Doran and Lee, op cit, p. 90.

<sup>99</sup> Ibid, p. 90.

<sup>100</sup> Ibid, p. 91.

<sup>101</sup> Ibid, p. 92.

Brown determined that tension would only be increased if Casey's proposal was accepted.

Brown was particularly sceptical of Casey's assertion that the US would find an Australian initiative on the issue 'helpful' believing, as Casey had done previously, that any action by Australia may place the US in an untenable position.<sup>102</sup> While noting that the UK had been able to recognise the PRC while withholding its approval of admission to the UN, he saw no such possibility for the US Administration. He was sure that the US would be extremely reluctant to encourage public discussion on such a divisive issue twice, meaning that the US would wish to solve both issues simultaneously. Brown was also concerned that the Chinese populations of countries such as Malaysia and Indonesia, would be adversely affected, in that the minorities within these countries were 'busy trying to pick a winner in Asia', and formal recognition of Communist China would give the distinct impression that the communists had won. In light of these circumstances, Brown concluded that recognition was out of the question. While Brown acknowledged that China should be recognised in a legal sense, he maintained that questions of security should outweigh legal arguments. While Casey believed that the international climate had improved sufficiently in the intervening sixteen months, Brown remained unmoved. It therefore seems that Casey's submission to cabinet was destined to fail.

On 6 January 1955, Casey raised the topic of recognition in cabinet, declaring that after discussions with Dulles, 'there is [an] undercurrent of doubt in their minds as to whether they are right'.<sup>103</sup> Furthermore, Casey believed that the State Department 'thinks they are prisoners of their past policy'.<sup>104</sup> With this in mind, and with no US election imminent, Casey felt that the US Administration would 'welcome some lead'.<sup>105</sup> Casey was clearly concerned that the subject of recognition at least needed to be put on the agenda, and if the US could not raise the issue then an ally such as Australia should assist. He offered to raise the idea with Dulles himself during their imminent meeting in Bangkok. Casey was adamant that recognition of China should 'not imply abandonment of Formosa', stating that it must be 'assured of an

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<sup>102</sup> Ibid, p. 91.

<sup>103</sup> Cabinet notebook, 6 January 1955, NAA, A11099, 1/20, p. 51.

<sup>104</sup> Ibid, p. 51.

<sup>105</sup> Ibid, pp. 51-2.

independent existence'.<sup>106</sup> Casey noted Spender's opposition to the idea, on grounds that the time was not opportune, but Casey dismissed this assertion, arguing that 'the time is never opportune'. He also acknowledged 'a negative response from London'. However, he did observe that Canada's Minister for External Affairs, Lester Pearson, was in favour of the proposition.

Casey's proposition immediately incited reservations and criticism from his cabinet colleagues. Wilfred Kent-Hughes was concerned that Communist China should be forced to pay a higher price for recognition than simply offering to settle the Formosa issue. Kent-Hughes also sought similar guarantees of security for the rest of South-East Asia and South Korea. Paul Hasluck was even more forthright, arguing that initiating negotiations with Peking would give Communist China 'the idea that the West is weakening'.<sup>107</sup> In response to the seemingly indifferent reception to his proposal, Casey retreated somewhat, claiming that he was not seeking 'a positive decision in cabinet but we should be seriously thinking of saying something at some time which will give a lead'. This demonstrates Casey's inability to successfully argue the case for recognition in cabinet. At the beginning of his proposal he had made it clear that the US was seeking a lead and he was adamant that the time was as opportune as it was likely to get, in a non-election year. Yet in the face of opposition Casey chose to withdraw, now suggesting that Australia should think about saying something 'at some time'. This lack of forthrightness most likely hampered his chances of winning over his colleagues.

Casey's chances of convincing the cabinet were reduced to tatters by the subsequent comments of Menzies. Although Menzies acknowledged that 'by all the legal rules' the Chinese should be recognised, he was reluctant to publicly promote the idea of recognition. He was not swayed by Canadian support of the proposal, believing they 'are pedantically legally minded'. Menzies was more concerned with strategic ramifications that the proposal might have on the region. He felt that recognition would represent 'a great success for Red China' and could adversely affect the political climate in South East Asia.<sup>108</sup> Menzies determined that Formosa was too

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<sup>106</sup> Ibid, p. 52.

<sup>107</sup> Ibid, p. 53.

<sup>108</sup> Ibid, p. 54.

large a stumbling block for the plan to succeed, believing that ‘Red China can’t go on unless Chiang Kai-shek goes off’. Therefore, Menzies could not envisage circumstances under which both the Chinese and the Americans would come to agreement. He was adamant that his government was in no position to openly promote the idea of recognition, stating that the ‘very people violently opposed to Red China are opposed to Evatt’. Menzies felt that this would play into Evatt’s hands, giving him the ability to portray himself as ‘a non-Communist leader’.<sup>109</sup> Hence Menzies’ conviction that if the US wanted ‘to have such discussions let them have it’.

Menzies’ and the cabinet’s sentiments highlight the difficulty Casey was facing in trying to convince his colleagues to recognise Communist China. As with Evatt’s response in 1949, there was clearly a conviction among Casey’s colleagues that the government could not be seen to be softening its position on communism, in particular in the eyes of the electorate. Menzies’ capacity to deny Evatt any ammunition is clearly linked to Evatt’s vacillation in 1949. Casey appears to have completely ignored the domestic implications of his proposal preferring to focus solely on international developments and the activities of his international counterparts, such as the Canadians. This starkly highlights the differences between Casey’s and Menzies’ approach to international affairs. While Casey placed great store on the views and ideas of nations such as Canada and India, Menzies placed little importance on these nations preferring instead to accede to US wishes. Menzies and his cabinet continued to hold to the US ideal, articulated most clearly by Kent-Hughes, which insisted that China must earn recognition rather than simply receive it. Menzies’ different reading of the international climate, represented by his belief that war was imminent, also hampered Casey in this instance in that Menzies was extremely reluctant to give the Chinese any kind of positive fillip in the highly charged world political climate. Although Casey could be considered to be more in tune with the sentiments of the greater international community, particularly the Asian community, this did not help the government win elections. While it could be argued that Menzies was somewhat domestically focused in his approach, this example points to an inherent flaw in Casey’s approach in that, while he was seemingly better

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<sup>109</sup> Ibid, p. 54.

equipped to comprehend the international scene than his colleagues, he was unable to adequately appreciate domestic concerns.

Once the Prime Minister had articulated his thoughts, other members of cabinet began to express opposition to the proposal. John McEwen immediately supported Menzies, suggesting that Australia had been guilty of trying to 'solve the problems of the world' in the past, and should leave well enough alone.<sup>110</sup> McEwen wished to avoid accusations that Australia was 'appeasing Red China'. Kent-Hughes believed that Communist China was 'trying to make every post a winning post', and he asserted that Formosa was 'the keystone of the arch of strategic planning in the Western Pacific'.<sup>111</sup> Earle Page expressed doubts about the longevity of the Communist regime, suggesting that China might 'fall apart again', and Doug Anthony felt that Australia should not become involved in any negotiations for recognition under any circumstances. In light of such widespread opposition it was, not surprisingly, decided that cabinet would not implement Casey's proposal. It is clear that Casey was faced with a cabinet, and Prime Minister, who was vehemently opposed to giving any consideration to the idea of recognising China. Although the force of Menzies' personality may have played some part in influencing the positions of other members of cabinet, it is still evident that Casey was fighting an uphill battle. His lack of success in getting cabinet approval for his policy may be attributed in some measure to his own lack of assertiveness. This was no doubt influenced by his tempestuous relationship with Menzies, alluded to earlier. His belief that he lacked the support of Menzies exacerbated his lack of confidence in cabinet.

Casey's failure in cabinet could also be attributed to the timing of his proposals. As Casey told Douglas Copland, Australia's High Commissioner in Canada, that 'the time was not ripe for this sort of thing at this particular moment'.<sup>112</sup> While Casey had been receiving positive feedback in his private conversations with his foreign counterparts, he had seemingly not taken developments on the Australian domestic scene into account. He clearly underestimated the Australian Government's reticence to make concessions to a Communist regime in light of the still prevalent Petrov

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<sup>110</sup> Ibid, p. 54.

<sup>111</sup> Ibid, pp. 54-55.

<sup>112</sup> See letter from Casey to Copland dated 18 January 1955. NAA, A10299, C3.

Affair. The scandal had only been brought to public attention in April 1954, considerably heightening popular fears of communism, yet Casey was advocating the softening of the government's position towards the Chinese Communists. The idea that a government that was so openly opposed to communism would choose to alter its position at such a time suggests that Casey misjudged the domestic political climate. Casey's constant overseas travel and his focus on international politics may have caused him to lose touch with the domestic scene. However, Casey was also driven by what he saw as the necessity of finding a negotiated solution to the international crisis. It seems certain that while the External Affairs Department was focused on the need for diplomacy, the Prime Minister's Department, and the cabinet, were more defence minded in their outlook, wishing to ensure that the West did not appear to be appeasing the Communists. It would evidently take considerable effort to unify the opposing attitudes of these two schools of thought if Casey were to achieve his ultimate goal of renewing relations with mainland China.

*A rough shot: Casey's prepares to face cabinet again*

Despite being rebuffed by cabinet, Casey remained steadfast in his determination that recognition was the right course to take. On 23 May 1955, Casey urged Tange to compile a report that would act as a 'first shot' at convincing cabinet to consider recognition.<sup>113</sup> He did not intend to gain a definite decision on the subject, he simply wished to 'get people's minds working on the realities of the situation'.<sup>114</sup> While the time had not been 'ripe' only three months prior to this, Casey now felt that circumstances had progressed sufficiently to make his proposal more palatable to the cabinet. Most importantly, the External Affairs Department had concluded that the recent Asian-African Conference at Bandung in April had proved to be a further illustration that the Chinese were capable of successful diplomacy. Casey was concerned that, while most of the expatriate Chinese in Southeast Asia were not inclined towards communism, they might be influenced by the communists' ability to put China 'on the map'. While Casey admitted that Chiang Kai-shek's Government on Formosa provided an alternative option for overseas Chinese, he believed that Chiang represented a 'short time brake which must fade with the years'.<sup>115</sup> In Casey's

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<sup>113</sup> See telegram from Casey to Tange dated 23 May 1955. NAA, A10299, C3, p. 1.

<sup>114</sup> Ibid, p. 1.

<sup>115</sup> Ibid, p. 1.

mind, the combination of these factors, hastened the need for Australia to ‘reach a *modus vivendi* with Peking’, especially given his belief that ‘co-existence with Communist China should be more possible than with Soviet Russia’.<sup>116</sup> While he had previously hedged his bets, it appears Casey had finally come to the conclusion that there must be a major attempt to recognise China and admit it to the United Nations.

Yet there was still the ever present problem of US opposition to any such move. It was for this reason that Casey chose to exercise caution, admitting that the end result could only be reached in stages. The goal for Casey at this point was to try and distinguish what these stages should be and when the process should begin. Although he was still somewhat concerned that the time was not ‘ripe’ for such a move, Casey felt that something had to be done because the alternative would mean

....we’re likely to drift on, in the wake of unreal thinking in the United States, until Peking gets into the United Nations somehow or other, in spite of the American attitude, and we’ll be left with the enmity of Peking, which will be dangerous. The potential forces that Peking will be able to put into the field in ten years time are not pleasant to contemplate<sup>117</sup>

This statement makes it clear that Casey’s rationale for opening relations with the PRC was driven by the same fears that were driving the rest of the government to oppose his proposals. He was in no way seeking to lessen his opposition to communism; he simply considered that diplomacy provided the best opportunity to prevent a future global conflict. In contrast to this, his cabinet colleagues seem to have been more inclined towards shoring up regional defence and maintaining steadfast compliance with US policy to protect the nation from the communist menace. Casey would face a considerable task if he was to persuade cabinet to think otherwise.

Despite the enormity of the task in front of him, Casey urged Tange to draft a paper on the issue to be presented to cabinet as a ‘first rough shot’ at changing the ingrained perceptions of the Menzies administration. Casey signalled his intentions to some of his counterparts in other governments, notifying Lester Pearson that he had been

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<sup>116</sup> Ibid, p. 1.

<sup>117</sup> Ibid, p. 2.

‘doing some thinking about the future relationship of the democratic countries with the Peking authorities, and in particular on the question of recognition of Communist China’.<sup>118</sup> Casey’s note was designed to make Pearson aware of his thoughts so that, if Casey were to succeed in cabinet, there would be an opportunity for the Australian Government to move in concert with other government’s, such as the Canadian. Casey again acknowledged the difficulty posed by the US Government’s opposition to the PRC, and also the uncertain future of Formosa, but he maintained that, Formosa aside, he could not think ‘of any other country other than the United States that has any strong feelings on the subject of recognition’.<sup>119</sup> While Casey understood that recognition alone would not result in peace, he was confident that recognition would ‘remove some unnecessary grit from the machinery of international talks on the Far East’.<sup>120</sup>

Casey’s timing could again be questioned in this instance. In the previous six months the enmity between the US and the PRC had taken on more dangerous proportions due to the PRC’s efforts to regain control of the offshore island chain in the Strait between the mainland and Formosa. As early as November 1954, the Australian Embassy in Washington was being informed of ‘probing’ attacks by the PRC on the Tachen Islands and Quemoy.<sup>121</sup> In January and February of 1955 the PRC took control of the Tachen Islands and a number of nearby islands. In response the Nationalist China announced its intention to hold the islands of Matsu and Quemoy so as to maintain a buffer between the mainland and Formosa. The US continued its unequivocal support of Chiang Kai-shek which resulted in a stand-off between the Chinese and the US. On 23 February, Dulles informed Casey that he believed the communists intended to take Formosa, and he insisted that Matsu and Quemoy must be defended so as to preserve morale on Formosa.<sup>122</sup> The British had suggested to the US that it should relinquish its hold on the islands in an attempt to satisfy Peking. However, Dulles was adamant that the PRC would not stop until it had regained Formosa and he was also determined to maintain Chiang’s regime as an alternative to Chinese Communism. While the Australian Government was more inclined toward

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<sup>118</sup> Letter from Casey to Pearson dated 27 May 1955. NAA, M2576, 39.

<sup>119</sup> Ibid.

<sup>120</sup> Ibid.

<sup>121</sup> See letter from F.J. Blakeney of the Australian Embassy in Washington dated 10 November 1954. NAA, A5462, 3/12/2, Part 1.

<sup>122</sup> Casey diaries, 23 February 1955. NAA, M1153, 49C.

the British position in this case, Casey's new proposal to cabinet would clearly face great difficulty in light of the existing standoff over the offshore islands.

However, Casey remained committed to his proposal. It might be argued that the impending crisis over the Offshore Islands heightened Casey's push for recognition, in that he believed that this would provide a better opportunity to resolve the conflict through negotiation rather than armed conflict. Furthermore, the Australian Government's efforts to resolve the dispute through negotiation, as represented by Menzies' proposal that China be invited to the forthcoming Four Power Conference, may have strengthened Casey's belief that the time was right to act on recognition. Casey was not simply an idealist who believed that opening relations with China would solve all of the enmity which existed between Communist China and the West. He believed that the most effective way to bridge the gap between these vastly different ideologies was through dialogue. In essence Casey was simply being practical; acknowledging that the communists were in charge of the mainland and that there was no possibility of Chiang's Nationalists regaining power. Casey was also realistic in his understanding of the enormity of the task he had ahead of him, in convincing his cabinet of the value of his ideas. He told Pearson that he did 'not expect that the Australian Government is likely to have any early change of attitude'.<sup>123</sup> Despite this lack of optimism, Casey remained committed to at least trying to convince cabinet of the validity of his proposal, arguing that

We cannot shut our eyes however to the fact that there has been a steady change in circumstances over the past year and that the democratic countries are being forced, willy-nilly, either individually or in conferences, to have some sort of practical relations with the Communist Chinese on a number of matters.

Clearly, the negotiations in Geneva on both Korea and the situation in Indochina had made Casey see the benefits of having a proper working relationship with Chinese authorities. The ongoing conflict between the United States and the PRC over the offshore islands simply provided further evidence that some form of diplomacy would be required if armed conflict was to be avoided. While the time may never be 'ripe', it was evident that there may never be a better opportunity to present his case to cabinet.

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<sup>123</sup> Letter from Casey to Pearson dated 27 May 1955. NAA, M2576, 39, p. 1.

*The influence of Tange: Tange's policy critique, June 1955.*

Before Casey approached cabinet, Tange compiled a critique of Australia's foreign policy, on 22 June 1955, which showed the degree to which his thoughts corresponded with, and elaborated upon, Casey's.<sup>124</sup> Furthermore, as will be shown in a number of instances throughout the thesis, Tange's critique gave an insight into his own influence over policy. Of particular importance to this chapter was Tange's appraisal of how Australia's relationship with the US should proceed. Tange claimed that although the support of 'great friends' was an asset, it was 'unprofitable' for Australia to pay too high a price for this friendship.<sup>125</sup> He argued that Australia's close ties to the US were causing 'suspicion and wariness' in Asia, 'with whom we have to live for a thousand years'. Tange believed that it should be possible for Australia to retain its ties with America while differing with them on some minor issues, which would in turn present a more palatable picture of Australia to Asia. He also suggested that 'liberal opinion' in the US might appreciate a 'lead from an independent democracy like Australia'. Previous examples demonstrate that this concept mirrors Casey's own thoughts on the issue of recognition of China. In a veiled reference to the issue of recognition, Tange was adamant that Australia should not be forced to endure policies that were 'harmful' to it simply because the US Administration was having difficulty in Congress. Thus it was evident that Tange was adopting a strong approach in favour of strengthening Australia's ties with Asia, which would reveal itself in Casey's attempt to gain cabinet support for recognition of China.

*The need for peace: Casey presents his policy to cabinet, 29 June 1955*

On 29 June 1955, Casey presented a detailed report on China to cabinet.<sup>126</sup> From the outset, Casey emphasised that he could not foresee a change in US policy towards Peking, particularly in light of the newly signed Manila Treaty which had reinforced US military interest in the region. However, he questioned the validity of the US position. He surmised that a major objective of US policy had been to exert sufficient pressure on the Communist Government to force a regime change.<sup>127</sup> Casey noted that

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<sup>124</sup> The full text of Tange's 'Policy Critique', dated 22 June 1955, can be found at NAA, M3401, 21.

<sup>125</sup> Ibid, p. 4

<sup>126</sup> See Cabinet Submission no. 404 entitled 'The Situation in East Asia – Formosa and the Recognition of China', dated 16 June 1955. It was presented to Cabinet on 29 June. NAA, A816, 19/306/246, p. 1.

<sup>127</sup> Ibid, pp. 4-5.

this course of action had in fact strengthened the PRC, which had been acknowledged by the US Government, which had concluded that ‘the policy of hostility to Peking short of all out war cannot bring about a change in the regime on the mainland’. Casey felt that this represented ‘a far-reaching change in professed United States policy’, in particular when combined with the perceived loss of faith in Chiang Kai-shek.<sup>128</sup> Casey’s initial aim was to get the United States to entertain the prospect of recognition by encouraging them to have bilateral talks with the Chinese. Yet he was not so determined that he would advise the Australian Government to act alone, advising that Australia should negotiate a common policy between itself, New Zealand, Canada and the UK, before any approach was made to the United States.<sup>129</sup> Evidently, Casey believed that the tide of opposition against the Chinese was turning and he was eager to ensure that the Australian Government was not too slow to react to the changing political climate.

In terms of Communist China, Casey felt that China had made significant steps in the previous two years which suggested that the regime could be amicably dealt with. Casey believed that progressive moves made by China during the peace talks in Geneva ‘may be no more than tactical moves to achieve definite strategic and political advantages at the expense of the free world’, yet he considered that these actions were ‘consistent, on the other hand, with a genuine desire for a policy of live and let live’.<sup>130</sup> He believed that Australia’s proposal that there should be a Five-power conference, including China, to discuss the problem of Formosa was ‘tantamount to recognition of Peking’, and he insisted that the continued denial of recognition only maintains an ‘unreal’ situation which had existed for the previous two years.<sup>131</sup> Casey clearly believed that Australia, and its Western counterparts, had already effectively acknowledged that the PRC was in control of China.<sup>132</sup> Yet, he still believed that a means should be found of testing the sincerity of China’s policies. Thus, while Casey was proposing a more measured approach towards Communist China it is evident that his scepticism and hostility towards communism had not diminished. He simply thought that the best way to gauge the intentions of the Chinese regime was to meet

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<sup>128</sup> Ibid, p. 5.

<sup>129</sup> Ibid, p. 23.

<sup>130</sup> Ibid, pp. 5-6.

<sup>131</sup> Ibid, p. 20.

<sup>132</sup> Ibid, p. 6.

with them face to face, through diplomatic avenues, and that the positives of changing policy outweighed the negatives.

Casey by no means believed that recognition constituted approval of the Communist regime; he was simply realistic enough to understand that this should not preclude the PRC from being recognised as the legitimate government of mainland China. He was concerned moral considerations 'have got themselves so involved in the problem...that unless we take the step of clearly denying that they are relevant we will never recognise'.<sup>133</sup> This illustrates the degree to which Casey was ready to adopt a pragmatic approach in his foreign policy. His methods were not coloured by his opposition to communism, he was simply driven by what he perceived as the facts of the situation. Casey identified the distinction between recognition and approval, stating that

We can ourselves remain suspicious of Chinese intentions....but we are probably only making trouble for ourselves in the future if we are to continue to confuse our dislike of a government with the legal concept of recognition.<sup>134</sup>

Casey placed great emphasis on Communist China's admission to the UN, claiming that it would make it 'much more difficult for China to flout the United Nations as bogus and lacking any legal authority'.<sup>135</sup> In Casey's eyes, the positives of the PRC's involvement at the UN vastly outweighed the negatives. Casey argued that the Menzies Government needed to address its position on Communist China sooner rather than later, in particular given Australia's efforts to gain a place on the UN Security Council in 1956. He wanted the Australian Government to accept 'the existence of a strong and apparently stable Communist Government on the mainland of China'.<sup>136</sup> While this may not have been a palatable thought, Casey believed that this course of action was unavoidable.

However, while Casey believed that the disadvantages that would flow from recognition of the PRC would 'not in themselves be very great', he was extremely

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<sup>133</sup> Ibid, p. 21.

<sup>134</sup> Ibid, p. 21.

<sup>135</sup> Ibid, p. 22.

<sup>136</sup> Ibid, p. 11.

concerned about the impact this would have on Formosa. Casey was particularly fearful that the signing of the United States-Formosa Mutual Defence Treaty in 1954, combined with continued Chinese declarations of its intention to reclaim Formosa would indelibly lead to war. He felt that it was 'imperative that ways should be constantly explored to lessen tension and seek a solution satisfactory to all concerned', believing that Australia must 'aim to achieve as much as we can of our political and strategic objectives by means short of war'. To ensure the safety of Formosa, Casey raised the idea of recognising Formosa as a separate entity to the rest of China. However, he was acutely aware that such a process would be plagued by difficulties, believing that 'the idea of two China's would seem to be doomed from the outset'.<sup>137</sup> He outlined a number of proposals that had previously been put forward, such as including China in an upcoming four power conference so that the issue of Formosa could be discussed. However, US reluctance to allow China to attend - due to the 'prestige and international standing' it would afford the PRC - had hampered efforts to achieve this.

Despite the difficulties posed by the question of how to safeguard Formosa, Casey was certain that the 'opportunities for settlement of the Formosa issue and Far-Eastern tension now appear greater than ever'. He also believed that time was of the essence, because 'the present delay....provides the Communists with excellent propaganda'. Casey now felt that the decision faced by Western nations was 'one of timing rather than one of principle'. As Casey stated

Probably no time will be a good time from all points of view to recognise Peking, but if we can decide that there is no overwhelming reason why we should not do so it remains to act in concert with our friends in this matter and extract if possible from the act of joint recognition as much as we can.<sup>138</sup>

Casey was clearly keen to ensure that the Australian Government was not seen to be the last to act on recognition, which may reduce the standing of Australia in the eyes of the PRC. Whilst he was still concerned about Formosa, and proposed that some stipulations should be placed upon China in return for recognition and admission to

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<sup>137</sup> Ibid, p. 14.

<sup>138</sup> Ibid, pp. 17-18.

the UN, he was hopeful that offering recognition might dissuade China from continuing to covet Formosa.<sup>139</sup> Furthermore, he believed that if the PRC was admitted to the UN,

The moral pressure on the Communists to use peaceful means to solve the Formosan problem would be considerable, and their resort to non-peaceful measures would lose them many Asian friends, whom they undoubtedly wish to retain.<sup>140</sup>

Casey also felt that if the problem of Formosa was raised in the UN there would be less opportunity for the United States to continue to ignore the issue. He obviously considered that the prospect of recognition and admission to the UN could be used by Western nations as a means of securing a peaceful resolution to the disagreement over Formosa. He understood that the Chinese might reject the overtures of the West, but he felt that if efforts failed 'the West will have demonstrated its desire for peace'.<sup>141</sup>

This submission illustrates the degree to which Casey was making a major effort in cabinet to try to convince his colleagues to change their thinking on Communist China. While both the Eisenhower and Menzies administrations had been extremely reluctant to entertain the thought of opening relations with China, Casey had come to the conclusion that such a course provided the best possible means of gaining a peaceful resolution to the prevailing international standoff. Casey encouraged a more open approach to China which acknowledged the legitimacy of a regime that clearly had control of the mainland of China. While he did not agree with the methods employed by the PRC, he understood that it had the right to be recognised as a dominant power on the world stage. Casey's opinion of Communist China corresponds more closely with the UK Government, although it is clear that Casey wished to be careful not to offend the US. Many studies of the Menzies Government during this time present a picture of an administration that was unequivocal in its opposition to communism. While Casey maintained his anti-communism, it is evident that he was not so virulent as to reject outright the prospect of having diplomatic relations with communist governments.

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<sup>139</sup> Ibid, p. 18.

<sup>140</sup> Ibid, pp. 22-3.

<sup>141</sup> Ibid, p. 24.

*No steps: Cabinet rejects Casey's proposal*

Despite Casey's measured and thorough attempt to convince his colleagues that the time was right to change their position towards Communist China, his efforts proved fruitless. In response to Casey's submission, cabinet decided that 'no steps should be taken in the direction of or leading towards the recognition of communist China'.<sup>142</sup> As with his previous approach to cabinet, Casey began his appeal by noting the 'large body of opinion' in the United States which considered that 'the situation whereby [the] US does not recognise Communist China is unreal'.<sup>143</sup> More pointedly, Casey this time suggested that this body of opinion was 'becoming more influential'. However, when pressed by Holt as to whether this body of opinion would be able to exert an influence before the next Presidential election, Casey replied that it would not. Menzies immediately weighed in on the subject, identifying that the crux of the matter was whether Australia should talk to its allies, namely the UK, New Zealand and Canada about the prospect of recognition. Menzies expressed concern that if Australia was to take such a course it would quickly become known to the wider community, in particular if the US were approached, and this would in turn lead to the US becoming divided from the other Western powers. Menzies therefore recommended that Australia should 'keep out of it'.<sup>144</sup>

Page and Kent-Hughes supported Menzies, with Kent-Hughes stating that the US had been very upset over Eden's discussions with Peking. Kent-Hughes again voiced his concern for Korea and Formosa, and emphasised that the 'more the tension of hot war eases the more serious the Cold War becomes'.<sup>145</sup> Holt gave the impression that any consideration of the matter should be put on hold as 'circumstances will shape things'. Clearly, Menzies' and cabinet's position had altered little in the intervening months since Casey last presented his case to cabinet. The negative atmosphere presented by his colleagues again forced Casey to downplay his proposal. In this instance, when faced with opposition, Casey insisted that his submission was simply meant to be 'an information paper'.<sup>146</sup> He retreated even further by stating that he did not think that talks would occur 'for some time'. Discussion of the matter was extinguished by

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<sup>142</sup> See Cabinet Minute, 29 June 1955, Decision No. 500. NAA, A10299, C5.

<sup>143</sup> Cabinet notebook, 29 June 1955. NAA, A11099, 1/21, p. 34.

<sup>144</sup> *Ibid.*, p. 34.

<sup>145</sup> *Ibid.*, p. 35.

<sup>146</sup> *Ibid.*, p. 34.

Menzies' forthright statement that cabinet 'should not take any step towards recognition of Red China'.<sup>147</sup> This further emphasises the difference of opinion between Casey and the cabinet. The differing conceptual approach to the issue of communism in Asia taken by Menzies and the cabinet again hindered Casey's efforts to have China recognised. In this instance, Casey once more applied the British approach, arguing that the US policy was becoming increasingly untenable due to the continued dominance of the communists on the Chinese mainland. On the other hand, Menzies and cabinet continued to adhere to the US argument believing that there had to be more visible signs of a decrease in tension before an approach to China could be made. Menzies' sentiments also provide further evidence of the different emphasis he placed on the opinions of certain individuals and nations. Casey placed considerable weight on the perspectives of his counterparts in a variety of countries, most notably, in this case, the UK, New Zealand and Canada. However, Menzies was only concerned with US opinion and how any action by Australia might affect that.

Casey later explained to Tange that he had presented the information to cabinet as an information paper, and that it had been well received in that context, however no action would be taken 'for the present at least'.<sup>148</sup> While this demonstrates that Casey had not given up hope that his proposition could be successful in the future, Casey's tone in his message to Tange, and his insistence that the submission was presented only as an 'information paper', gives the distinct impression that Casey never expected that cabinet would accept his proposal. While he had informed Tange before he presented the submission that he did not expect to get a definite decision, it was still clear that he intended the submission to be more than simply an 'information paper'. He had wanted to begin creating a new mindset in his colleagues, and in this aim he had failed. His lack of success could also be attributed to his method of delivery in cabinet: he told Tange that he had 'read' the submission to his colleagues. Considering the submission was twenty-five pages in length, this would have made for a less than inspiring presentation.<sup>149</sup> Although it is admirable that he at least tried

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<sup>147</sup> Ibid, p. 35.

<sup>148</sup> See message from Casey to Tange dated 29 June 1955. NAA, A10299, C5.

<sup>149</sup> Both Garry Woodard and Peter Edwards have questioned Casey's decision to read the submission. Woodard suggested that 'the mind boggles at a Minister being allowed to read a 25 page submission', in 'Australian Foreign Policy on the Offshore Islands Crisis of 1954-5 and Recognition of China' in *Australian Journal of International Affairs*, Volume 45, no. 2, 1991, p. 259. Edwards described Casey's decision as 'naïve and clumsy' in *Arthur Tange: Last of the Mandarins*, op cit, p. 76.

to win over cabinet, it seems apparent that Casey was again not confident enough, or forceful enough, in cabinet to succeed.

*Bearing some fruit: Casey's attempt to meet with Chou En-Lai*

Yet, while Casey's conduct in cabinet may not have been forthright, his dedication to opening ties with China remained clear. Throughout this period Casey was making a confidential attempt to organise another meeting between himself and Chou En-Lai. In the lead-up to his cabinet submission, on 30 May, Casey wrote to Australia's High Commissioner in India, Peter Heydon, drawing attention to a meeting he had had with K.M. Cariappa, India's High Commissioner to Australia, in which Casey had proposed meeting with Chou.<sup>150</sup> Casey had told Cariappa that he would be spending several weeks in Southeast Asia during October and that he and Chou might be able to meet in one of the 'free Asian countries'. Casey acknowledged that this matter would need to be 'delicately and privately' handled but, although he had no particular reason for meeting Chou, he hoped that an encounter 'might conceivably bear some fruit'. Casey intended that Cariappa might be able to assist in brokering a meeting due to India's 'good links with Peking'. It is therefore evident that even before he had received cabinet's approval to open ties with the PRC, Casey was making covert attempts to meet with his Chinese counterpart.

Casey's correspondence with Heydon on the matter continued through June, with Heydon informing Casey on 21 June that he believed Cariappa had not made any approach to Chou on the matter.<sup>151</sup> At this point, Heydon expressed his concern that Chou might react to Casey's overture by proposing a meeting in Peking rather than in neutral territory. On 30 June, the day after Casey's failed appeal to cabinet, Casey's secretary, Harold Marshall, sent a letter to Heydon on Casey's behalf stating that 'a visit to Peking would be quite out of the question' and that any possible meeting would need to be kept on 'the most highly confidential basis'.<sup>152</sup> Yet despite the negative tone of these comments, Casey gave Heydon permission to pursue the issue. Thus, even though Casey had failed to obtain a positive response from cabinet on the previous day, he continued his effort to arrange an impromptu meeting with Chou.

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<sup>150</sup> Letter from Casey to Heydon, 30 May 1955. Papers of Sir Peter Heydon, NLA, MS3155, Box 14, Correspondence, Lord Casey.

<sup>151</sup> Letter from Heydon to Casey, 21 June 1955. Ibid.

<sup>152</sup> Letter from Harold Marshall to Heydon, 30 June 1955. Ibid.

Casey's proposal was eventually mentioned to Nehru, who welcomed the idea, but also admitted that this suggestion would be met by an offer to visit Peking.<sup>153</sup> Nehru conceded that Casey's failure to respond positively to such an offer would result in embarrassment for both men and would harm future attempts to arrange a meeting. Nehru recommended that Casey should not proceed with his plan to engineer a meeting with Chou, but should instead see if his eventual route crossed paths with Chou serendipitously. Nehru was confident that a meeting could be arranged at short notice if necessary. As it happened, Casey did not meet with Chou; however this episode shows the extent to which he remained dedicated to increasing interaction between Australia and China, despite his inability to gain cabinet approval for his efforts, and again highlights his independent approach to foreign policy.

*Continued efforts within the department to have China recognised*

Irrespective of Casey's lack of success in cabinet, the Department of External Affairs also remained determined to try to find a way to deal with Communist China. Tange's frustration at cabinet's decision was evident in notes he wrote for an imminent ANZUS meeting. Tange felt that cabinet was leaving 'little room to press the United States to look for ways of getting a long-term *modus vivendi* with Communist China'.<sup>154</sup> Tange could not see how Australia's best interests could be served by 'acquiescence in American policy which is partly the product of an internal political struggle inside the United States'.<sup>155</sup> Tange felt that an approach should be made to the US at the ANZUS meeting where Australia could encourage them 'to work out a *modus vivendi* with China in which the opportunity is given China to provide assurances about her external intentions...'.<sup>156</sup> He also wished to implore the US to avoid any form of war with China over the off-shore islands, believing that the US 'would be virtually alone' in any such action and that 'the Australian Government would be gravely embarrassed by any expectation for support in a conflict on so doubtful an issue'.<sup>157</sup> Tange was clearly still committed to finding a way of negotiating peace with China rather than continuing the existing standoff. However, this is not to say that Casey's department was completely at odds with the US. Tange

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<sup>153</sup> Letter from Heydon to Casey, 26 July 1955. Ibid.

<sup>154</sup> Note from Tange dated 3 August 1955. NAA, A10299, C5.

<sup>155</sup> Ibid.

<sup>156</sup> Ibid.

<sup>157</sup> Ibid.

believed it was necessary 'that we appreciate United States moral and contractual obligations towards Nationalist China', and he understood the importance of maintaining morale in Formosa. He also appreciated the need to encourage the people of South-East Asia to 'believe that the Western alliance has the ability to deter Communist aggression or subversion...'<sup>158</sup> Tange simply sought to achieve these ends through negotiation rather than conflict.

James Plimsoll, the Acting Secretary of the department, expressed similar views to Tange, suggesting that arguments in favour of recognition outweighed the arguments against.<sup>159</sup> He identified the question of Formosa and the need to preserve Australia's relationship with the US as the primary obstacles to achieving recognition. In the first case, he recommended a policy of recognising the Communist regime as the government of the mainland while either recognising Chiang Kai-shek's regime as the government of a separate state, or leaving the status of Formosa open to question for the time being.<sup>160</sup> In regard to Australia's relations with the US he pointed to the fact that the US had continued to have close ties to the United Kingdom in spite of the UK's decision to recognise Peking. He also noted that the US had committed to the Manila Treaty despite two members of the Treaty, the UK and Pakistan, having recognised the PRC. Plimsoll was particularly adamant that Australia could, and should, recognise the PRC before it achieved membership of the United Nations. He was concerned that China might look contemptuously upon Australian advances if it had already been accepted to the UN, believing that once China was admitted 'it might not care very much whether it has diplomatic relations with Australia or not, and it might refuse to accept an Australian Ambassador'.<sup>161</sup> Plimsoll also advised that the case for recognition was much stronger than the case for admission to the UN. He argued that, while recognition did not imply approval, allowing Communist China a seat at the UN would give the impression that China was adhering to the principles of the UN.<sup>162</sup> Plimsoll remained sceptical of China's activities and therefore proposed that Australia should recognise while opposing admission to the UN.

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<sup>158</sup> Ibid.

<sup>159</sup> Document dated 15 August 1955, p. 2. NAA, A10299, C5.

<sup>160</sup> Ibid, p. 3.

<sup>161</sup> Ibid, pp. 4-5.

<sup>162</sup> Ibid, p. 5.

The persistence of the staff of the Department of External Affairs was mirrored by the actions of Casey. On 16 August 1955, he approached Menzies again, this time armed with Plimsoll's recommendations. Casey acknowledged that it had been decided in cabinet on 29 June that there should be no recognition of Peking at the present time. However, Casey noted that in the time since that decision a number of events had taken place, most notably the Heads of States Conference at Geneva, which had further emphasised the willingness of the Chinese to find a negotiated solution to political problems.<sup>163</sup> Casey also pointed out that the Canadian Government appeared to be moving closer to opening relations with China, and he also expressed an expectation that the issue of admitting China would be raised with some strength at the next sitting of the United Nations.<sup>164</sup> Furthermore, Casey believed that the mood of the Australian public had begun to shift towards a positive outlook on the issue of recognition. Therefore, in the prevailing circumstances, Casey felt that it was again necessary for the Australian Government to consider the prospect of recognising Peking, and that it was 'desirable for us to have a representative in Peking as soon as we can without harm to our interests'.<sup>165</sup>

While Casey's previous attempt to convince Menzies in the cabinet room had been somewhat tentative - with the information being presented as an 'information paper' - he was now making a more authoritative approach. Regarding admission to the UN, he told Menzies that 'past arguments are getting rather threadbare', believing that arguments against China's admission could now only be based on 'the grounds of expediency rather than principle'.<sup>166</sup> At the very least, Casey was insistent that Australia should not take a leading role in any attempts to deny China admission the UN, and that this course of action was in Australia's best interests. Casey's arguments in favour of changing Australia's policy towards China mirrored closely those which had been presented to him by Plimsoll the day before. In particular, Casey expounded Plimsoll's idea that Australia should be attempting to attain a position where 'two Chinas' could be recognised, which would provide protection to Formosa.<sup>167</sup> Casey also shared Plimsoll's belief that the issue of recognition was not necessarily tied to

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<sup>163</sup> Letter from Casey to Menzies dated 16 August, 1955 p. 1. NAA, A1209, 1957/4832 Part 1.

<sup>164</sup> Ibid, p. 1.

<sup>165</sup> Ibid, p. 1.

<sup>166</sup> Ibid, p. 2.

<sup>167</sup> Ibid, p. 3.

the issue of admission to the UN, and warned Menzies against delay in case Australia's subsequent relations with China were irreparably harmed.

Casey emphasised the need to act in concert with other governments, specifically the Canadians, in an effort to present a stronger front to both the US and the Chinese.<sup>168</sup> He noted that Lester Pearson had concurred with his view that recognition needed to be seriously considered. Pearson was eager to act, due to the fact that it was becoming 'more anomalous for us to refuse a Government in theory, which we are recognising in fact as indispensable to the solution of Asian problems', and he was fearful of 'lagging along behind others'.<sup>169</sup> Casey was making it clear to Menzies that action needed to be taken as soon as possible. While he knew he would not get a positive response from Menzies immediately, he at least wished to get Menzies' permission 'to discuss this matter in realist terms with Dulles and others in the United States'.<sup>170</sup> Casey felt that his overtures might be met with a positive response as he believed that there were many in the US Administration who resented being 'dragged along in the wake of past and outmoded attitudes'.<sup>171</sup> This example illustrates how determined Casey was to try and change the government's policy towards Communist China. Despite his previous failures to convince both Menzies and cabinet, he persisted. In this instance he took a more measured approach in that he simply sought to gain Menzies' permission to talk to other governments about the prospect of recognising China, with the evident intention of establishing a common consensus among Australia's allies which would make it impossible for the Australian Government to deny any future advances he made on the issue. It is also clear that Casey was heavily influenced by members of his department, in this case Plimsoll.

With Menzies' blessing, Casey proceeded to probe the thoughts of his counterparts in both Canada and the United States. On 9 September 1955 Casey visited Louis St. Laurent, the Canadian Prime Minister. St Laurent reiterated his government's determination to seek recognition in the near future so as to avoid being last, wary that other countries, such as Belgium, might get in first and start a chain reaction which

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<sup>168</sup> Ibid, p. 3.

<sup>169</sup> Ibid, p. 4.

<sup>170</sup> Ibid, p. 4.

<sup>171</sup> Ibid, p. 4.

could leave Canada isolated.<sup>172</sup> In fact St. Laurent was anxious to act before the US so as to avoid the Chinese relegating them to ‘an upper garret in some remote pagoda’,<sup>173</sup> When pressed by Casey on when Canada might seek to act, St Laurent told Casey that, although it could happen within three months, he was more confident that his government would wait until the end of 1956, when the US Congressional elections would be complete.<sup>174</sup> Lester Pearson confirmed that the Canadians were simply waiting for the right time and he notified Casey of his intention to ‘casually’ raise the matter with Dulles in the near future.<sup>175</sup> Pearson asked Casey to inform him of the reaction he received in Washington. The sentiments of the Canadian Administration give an indication as to why Casey continued to persist with the notion of recognition, despite his recent failures. Casey had always placed considerable emphasis on the activities of Canada and remained anxious to ensure that Australia and Canada acted in concert when the time came to offer recognition. Like his Canadian counterparts, Casey was fearful of being the last nation to act.

Following his discussions in Canada, Casey went to Washington to attend an ANZUS Council meeting. Although the prospect of recognition was not raised in this meeting, Casey used this opportunity to privately discuss the issue with Dulles. Dulles told Casey that there would be ‘no chance of the United States recognising them before the end of 1956’, and he did not make any commitment to entertain the prospect then.<sup>176</sup> Casey did not give Dulles any indication that Australia was thinking about recognition but he did encourage the US to ‘work together’ with Australia ‘when recognition became a practical proposition’.<sup>177</sup> Casey identified that recognition could only be based on the grounds that the PRC was the government of the mainland, which Dulles agreed with, although Dulles was sceptical as to whether China would accept recognition on such a limited basis.<sup>178</sup> Casey and his government colleagues had always made it clear that US acquiescence was crucial if they were to consider changing their policy towards China. Considering Dulles’ answers to Casey’s

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<sup>172</sup> Casey diaries, 9 September 1955. NAA, M1153, 49C. See also cablegram from Casey to the Prime Minister dated 12 September 1955, and received on 14 September. NAA, A1209, 1957/4832, Part 1.

<sup>173</sup> Ibid.

<sup>174</sup> Ibid.

<sup>175</sup> Ibid.

<sup>176</sup> See cablegram from Casey to the Prime Minister dated 25 September 1955 and received 26 September. NAA, A1209, 1957/4832, Part 1.

<sup>177</sup> Ibid.

<sup>178</sup> Ibid.

questions regarding China, it was evident that Australia would not receive US support for any move it might make towards recognition in the near future.

*Not realistic: 1956*

The failure of Casey's latest attempt to put recognition on the agenda forced the Minister to rethink his position. It had become abundantly clear that the Australian Government would not be swayed on the issue for some time. On 7 November 1955, in response to questions from the Federal Secretary of the Building Workers Industrial Union, Casey was forthright in his conviction that recognition was not an option. He stated that

We could not recognise that Government while it was engaged in hostilities against the United Nations in Korea and, since these hostilities.....have come to an end, other disturbing situations have arisen....which have made recognition out of the question. If the situation improves and the Chinese People's Republic shows a willingness to accept obligations under the United Nations Charter and to co-operate peacefully with other nations, the question of recognition could be considered in the light of the new circumstances.<sup>179</sup>

While there is still some degree of optimism in this statement, Casey was becoming resigned to the fact that recognition was growing increasingly unlikely. This more negative attitude was further evident in comments Casey made in the House on 22 February 1956. Casey observed that there was a growing school of thought which suggested that the 'realistic' course would be for Australia to recognise the PRC as the 'legitimate representative of China at the United Nations'.<sup>180</sup> Casey's response to this attitude was that it was not realistic for the Australian Government to abandon the 8,000,000 anti-communist inhabitants of Formosa.<sup>181</sup> The issue of how to safeguard Formosa while recognising the PRC as the government of the mainland continued to hamper attempts at recognition. Casey may have privately still been hoping to find a path to recognition; however his public rhetoric clearly betrayed his acquiescence to the dominant beliefs of the Menzies Government.

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<sup>179</sup> Letter from Casey to F. Purse dated 7 November 1955. NAA, A10299, B6.

<sup>180</sup> CPD, H of R, 22 February 1956, p. 112.

<sup>181</sup> *Ibid*, p. 112.

Yet, evidence remained which suggested that the Australian Government might be open to the idea of recognition. In April Menzies would make a significant statement to Crocker, suggesting that

...the Americans cause him [Menzies] more sleepless nights than anything else. Red China ought to be recognised. What does USA get out of refusing them recognition?...He [Menzies] went on to say that we have to play along with the Americans because we can't live without their protection.<sup>182</sup>

This gives an important insight into Menzies' thinking, demonstrating that in essence he did largely concur with Casey's understanding of the issue. Menzies evidently believed that the US position was becoming increasingly less logical. This also shows that Menzies was not simply denying recognition due to Chinese intransigence or the need to placate the Australian electorate. His continued denial of recognition was dictated by the need to maintain US involvement in the South Pacific, in the best interests of Australia's security. Menzies was therefore reluctant to strain relations between Australia and the US. Casey, on the other hand, seemed to believe that any positive steps by Australia on recognition would not adversely affect the relationship between the two countries. Considering Casey's wide range of contacts in the US Administration, it could be argued that he had a greater understanding of the prevailing atmosphere in the State Department, which might suggest that an Australian initiative might not have been viewed poorly. However, Casey clearly misread the feelings of his domestic counterparts and misunderstood their continued need to appease the US.

Menzies' statement is also important to gaining a clearer understanding of the dynamics of the relationship between the Prime Minister and Casey. As was stated earlier, Casey believed that the Minister of External Affairs and the Prime Minister should have a close relationship based on terms of 'easy confidence'. Menzies' ability to confide in Crocker on the issue of recognition while continuing to reject Casey's overtures outright clearly demonstrates the Prime Minister's lack of faith in his

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<sup>182</sup> See the papers of Sir Walter Crocker, Barr Smith Library, University of Adelaide, Journal, vol. 5, 15 April 1956, p. 950. See also Edwards' *Arthur Tange: Last of the Mandarins*, op cit, p. 76.

Minister for External Affairs. This less than ideal situation no doubt contributed to Casey's inability to convince Menzies to change his position on recognition.

Menzies' seemingly positive outlook on the issue of recognition was not confined to private meetings with trusted advisors. In a paper prepared for the Commonwealth Prime Ministers' Conference to take place in London in June, it was stated that although the Australian Government had adopted a similar position to the US the issue of recognition and admission to the UN 'must in due course receive consideration'.<sup>183</sup> This paper also stated that recent developments such as the Bandung Conference had increased the prestige of the Communist regime to the point where many countries 'regard its absence from the United Nations as unrealistic'.<sup>184</sup> It was decided that no change to Australia's policy could be contemplated until after the US elections, but that Australia should then 'be ready to re-examine our policy'.<sup>185</sup> Menzies' positive attitude was further reflected in statements he made before leaving for London. He hinted that China would become a 'vital issue' after the US elections and also implied that Australia might be interested in 'giving a lead' to the US on the issue, but only if a number of questions, such as the security of Formosa could be adequately answered.<sup>186</sup> Therefore, the prospect of Australia recognising the PRC and endorsing its admission to the UN remained a real possibility.

The conciliatory nature of Menzies' statements, coming so soon after Casey's last approach, gives the impression that Casey's continued appeals were beginning to have an impact on the Prime Minister. Furthermore, the case for recognising China was becoming more prevalent in the Australian press during this period with reports identifying Casey's, and other Government members', more optimistic statements on the issue. In August 1955, the *Sydney Morning Herald* reported Casey's belief that a peace pact with China was 'worth exploring'.<sup>187</sup> In a later report, in reference to government policy on China, it noted that although the 'signs of change have not yet

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<sup>183</sup> See document entitled 'Commonwealth Prime Ministers' Conference 1956: Volume 11, Agenda Papers'. NAA, A1838, 3107/33/1, Part 4, p. 3.

<sup>184</sup> *Ibid.*, p. 4.

<sup>185</sup> *Ibid.*, p. 4.

<sup>186</sup> See article by Dennis Warner entitled 'Should We Recognise China?' in the *Herald*, 20 June 1956, in NAA, A1838, 3107/33/1, Part 4.

<sup>187</sup> *SMH*, Chinese Peace Pact "Worth Exploring" – Casey', 1 August 1955.

reached major proportions....they are there'.<sup>188</sup> In June 1956, Dennis Warner, the Asian affairs expert for the Melbourne *Herald*, asked 'Should We Recognise Red China?'.<sup>189</sup> This suggests that, although Casey had been unable to convince his colleagues to change their outlook, his continued efforts were beginning to have an impact in important quarters. Casey had previously argued that a major reason for the Australian Government to consider a change in policy was his belief that the press would be receptive to such a move. The appearance of the issue in the popular press would therefore appear to constitute a victory for Casey in that he could now unequivocally argue that there was a groundswell of positive sentiment in the public sphere. Furthermore, Casey had successfully achieved one of his most sought after goals; the issue was being discussed.

However, this positive media coverage would ultimately result in the campaign for recognition being dealt a major blow, from which it would not recover. In July a Counsellor from the US Embassy, A.F. Peterson, spoke to Plimsoll to express his dismay at the growing tide of positive sentiments being expressed towards China and the issue of recognition in the Australian press.<sup>190</sup> Peterson pointed out that the *Sydney Morning Herald* and the *Daily Telegraph*, among others, had included editorials that favoured recognition.<sup>191</sup> Peterson found this trend 'disturbing'. Peterson was concerned that this 'indicated how far the Australian public and press failed to appreciate American feeling'. Peterson was considering urging Dulles to address the issue at his next press conference. Plimsoll recommended Peterson show a degree of restraint, as it would be unwise to inform the world that there was strong public support for recognition in a nation that was a close ally of the US. Furthermore, he believed that any statement that referred directly to Australia might inflame public opinion, as Australians may feel that the US was threatening them.<sup>192</sup> Despite Plimsoll's protestations, Peterson maintained his position, believing that the US had to act if the 'apparent drift in press opinion' continued. The depth of feeling expressed by Peterson demonstrates that Casey may have misread the intentions of the US

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<sup>188</sup> *SMH*, 'Will Australia Reverse Its Policy On Red China', 9 August 1955, p. 2.

<sup>189</sup> *The Herald*, 'Should We Recognise Red China', 20 June 1956.

<sup>190</sup> See report prepared by Plimsoll entitled 'Recognition of Communist China, dated 17 July 1956, in which he records his conversation with Peterson. NAA, A5462, 3/12/2, Part 1.

<sup>191</sup> *Ibid*, p. 1.

<sup>192</sup> *Ibid*, p. 2.

Administration, in that, on numerous occasions, he had implied that many US officials would respond positively to Australian initiatives to recognise China

As promised, Peterson notified Washington of his misgivings, which resulted in Spender, in his capacity as Australia's Ambassador to Washington, receiving a visit from the US Assistant Secretary of State for Far Eastern Affairs, Walter Robertson. Robertson was particularly concerned by reports in the Australian press that Australian recognition 'would not necessarily cause difficulties with United States' due to a 'weakening in United States Public feeling'.<sup>193</sup> Robertson wished to reassure Spender of his government's conviction that recognition of the PRC was not an option. Robertson stressed that the Administration had 'complete bi-partisan support' and he referred to recent opinion polls which suggested that public opinion against recognition was as high as ninety-five per cent.<sup>194</sup> Robertson also explained that the President endorsed the withdrawal of the US from the UN if it was decided that Communist China would be admitted.<sup>195</sup> When Spender suggested that it was unrealistic to continue to recognise the Nationalist regime as the government of the mainland, Robertson replied that the US believed that it was imperative to maintain a free alternative to the regime on the mainland so as to prevent overseas Chinese nationals from turning to communism.<sup>196</sup> While Robertson did not specifically ask that the Australian Government take action to restrain the press, he made the implication to Spender that action should be taken to inform the Australian public that the US position in regard to Communist China remained rigid.

In all of the discussions about whether Australia should recognise Communist China, the major stumbling block - apart from Formosa - had always been the need to appease the US. While the Australian Government itself had not made any significant move to put the issue of recognition on the agenda, it is apparent that even a shift in public opinion was sufficient to incite the US administration. This illustrates the difficulty faced by Casey in encouraging the Australian Government to change its policy on China. In this atmosphere Casey, and the government as a whole, was

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<sup>193</sup> See inward cablegram from Spender to the Department of External Affairs dated 19 July 1956 and received 20 July. NAA, A1838/3107/33/1, Part 1, p. 1.

<sup>194</sup> *Ibid.*, p. 1.

<sup>195</sup> *Ibid.*, p. 2.

<sup>196</sup> *Ibid.*, p. 2.

forced to put any discussion of recognition aside. In the following months, the US continued to make its resentment known. On 5 August Spender had a discussion with Dulles in which the Secretary of State reiterated that a change in US policy on China 'was a long way off'.<sup>197</sup> He again highlighted the unanimous view of Congress and he remarked that 'it was a fallacy to believe that this was a problem merely confined to the election year'.<sup>198</sup> Dulles emphasised his point by noting that it had taken fifteen years for the US to extend recognition to the Soviet Union.

The extent to which these new circumstances had altered Casey's standpoint was shown in the prelude to the UN Assembly. The US requested that the Australian delegation to the UN speak in support of the US on the issue of admission of Communist China. Casey, in his appeal to Menzies in August of the previous year, had advised that Australia should not take a prominent role in attempts to exclude the PRC from United Nations representation. However, in the new climate Casey told both McBride, who was Acting Minister in his absence, and Tange that Australia should agree to the US request for Australia to speak in its support.<sup>199</sup> Casey felt that it would be 'unwise to refuse' due to the fact that 'we have some ground to make up with the United States'.<sup>200</sup> Casey had received fresh evidence of the US Government's displeasure with Australia two days before his telegram when he was informed by Walter Robertson that members of the Administration had been upset by recent editorials in the Australian press.<sup>201</sup> Although Casey made it clear that these did not have government approval, his subsequent change of attitude on China shows that this information had an impact on the Minister's outlook. McBride reluctantly concurred with Casey. His reluctance stemmed from the fear that Australia might find itself alone with the US on the issue which might put it off side with numerous Asian nations, who Australia wished to placate in the event that the issue of Dutch New Guinea came up. McBride therefore suggested that Casey encourage the US to find other countries to support it as well so that Australia was not isolated.

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<sup>197</sup> Telegram from Australian Embassy, Washington, to External Affairs dated 5 August 1956, from Spender to Tange. NAA, A5462, 3/12/2, Part 1.

<sup>198</sup> Ibid.

<sup>199</sup> See telegram from Casey at Australian Embassy in Washington to Acting Minister and Secretary at External Affairs, dated 10 November 1956. NAA, A5462, 3/12/2, Part 1.

<sup>200</sup> Ibid.

<sup>201</sup> Casey diaries 8 November 1956. NAA, M1153, 49D.

It is therefore evident that, by the end of 1956, the Australian Government was no closer to recognising Peking. In fact, it could be argued that the situation had regressed to such a degree that Australia was further from recognition than it had been since the end of the Korean War. Casey had made significant ground in the previous two years, to the point where Menzies had given him licence to raise the issue with his foreign counterparts. Furthermore, the Prime Minister himself had begun to publicly entertain the prospect of altering the government's policy on China. Yet, the need to appease the United States had forced the Menzies Government to reassess its priorities, forcing the issue of recognition further into the background. This change in the political climate even drove Casey to recant his position. While Casey had not been able to persuade cabinet to alter Australia's policy, he had thus far persisted in his efforts to get his colleagues to open their eyes to the need to recognise China. However, it now appeared that his efforts would prove to be fruitless.

#### *Casey's fall from grace: 1956*

Casey's inability to convince his cabinet colleagues was exacerbated by two occurrences in 1956 which severely dented the Minister's prestige and standing among his colleagues. The Egyptian Government's decision to nationalise the Suez Canal in July 1956 led to what would become known as the Suez Crisis.<sup>202</sup> Menzies and Casey had vastly differing views on how this crisis should be resolved. Menzies believed, as did the British authorities, that force should be used, or at least threatened, in an attempt to wrest back control of the area.<sup>203</sup> Casey, on the other hand, believed that tough economic measures represented a more appropriate and viable measure against the Egyptian Government. Casey determined that British efforts to seize the Canal, and then occupy it in the long term, would fail. Menzies was unequivocal in his support of the British, feeling so strongly that he took it upon himself to be the most prominent member of the negotiations, in that he was the only Prime Minister to attend a conference in London to discuss the issue. Furthermore, Menzies headed the committee sent to Cairo by this conference to make an appeal to President Nasser.<sup>204</sup> In stark contrast to Menzies, Casey sided with the US conviction to find a resolution to the conflict through peaceful means. Ever the diplomat, Casey

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<sup>202</sup> Hudson, *Casey*, p. 270.

<sup>203</sup> *Ibid*, p. 271.

<sup>204</sup> *Ibid*, p. 273.

believed that negotiation should be favoured over force at all costs. Yet, as can be expected, cabinet supported the Prime Minister, placing Casey further off-side with his colleagues. History would prove Casey right, in that the British course of action would eventually result in humiliation. However, at the time, Casey's decision to oppose his Prime Minister greatly decreased his standing in his own Party.

The extent of Casey's fall from grace was demonstrated in his performance in a subsequent Deputy Leadership ballot. On 26 September, a meeting of the Liberal Party was held, with the primary objective of finding a successor to Eric Harrison as Deputy Leader.<sup>205</sup> It was widely believed that the man chosen to fill this role would be prominently placed to be the next Prime Minister. In a last attempt to reach the political summit, Casey chose to put his name forward along with Holt, Spooner and McBride. Although Spooner and McBride were considered to have no chance, it was Casey who was soundly defeated in the ballot. Holt would go on to win narrowly from Spooner. Casey was adamant that Suez had contributed to the loss, stating that 'the minds of a number of Members had been influenced by my having been opposed to the use of force – and the Prime Minister supporting the use of force'.<sup>206</sup> Casey also believed that certain Members had labelled him anti-British, placing him further off-side. Casey's loss of standing, caused by his attitude toward Suez, and combined with his previous intransigence in Manila, had manifested itself in the result of the leadership ballot. Cabinet, and the greater Liberal Party, had clearly lost confidence in the Minister for External Affairs.

That Casey's appeals to cabinet on the subject of recognition came to an end at this time must surely be blamed, at least to some extent, on his loss of standing among his colleagues, which would have exacerbated his already exposed lack of confidence in cabinet. With US opposition still prevalent and with Casey now a diminished force, the prospects for recognition in the foreseeable future now seemed almost non-existent. Furthermore, the split in the Labor Party in 1955, which led to the creation of the Democratic Labor Party (DLP) was also a major influence on the direction of Australia's policy towards China. The rise of the DLP illustrated the degree to which the issue of opposing communism continued to permeate the Australian political

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<sup>205</sup> Ibid, p. 275.

<sup>206</sup> Ibid, p. 275.

landscape, and made the prospect of opening Australian diplomatic relations with China appear even more remote, in particular given the desire of the Liberal Government to placate the newly formed and influential DLP. Thus, circumstances had conspired by mid 1956 which would ensure that Casey's efforts to recognise China would prove fruitless.

*US policy holds fast: 1957*

Subsequently, the issue of recognition gained very little exposure in Australia during 1957. Casey and his government colleagues remained hesitant to further strain relations with the US. US opposition to recognition remained resolute, as was demonstrated by Dulles on June 28 when he stated that the PRC had come to power 'by violence and, so far, has lived by violence'.<sup>207</sup> Dulles was adamant that the Communist regime had done nothing to hide its 'expansionist ambitions' and that it was 'bitterly hateful of the United States', and he was determined that the US, and its Treaty partners in Southeast Asia, would continue to act as a 'stout bulwark against aggression'.<sup>208</sup> Dulles promised that the US would continue to abstain from 'any act to encourage the Communist regime, morally, politically, or materially'. In outlining his reasoning for this position, he argued that the US had been slow to recognise the Soviet Union, taking sixteen years, and had only done so when it was felt that circumstances necessitated it. He also expressed his fear that US recognition would discourage many mainland Chinese who were opposed to the communists, and lead to many overseas Chinese to reluctantly accept communism, and he was wary of offending the Nationalist regime on Formosa.

One of the major arguments presented by Casey in encouraging the Australian Government to recognise China was the inevitability of recognition, due to the undeniable fact that the Communist regime was in complete control of the mainland. Dulles emphatically dismissed this school of thought, stating that the US would never 'accept the mastery of Communist forces'.<sup>209</sup> He also disputed the solidity of the Communist regime, estimating that the Communist regime was 'a passing and not a perpetual phase'. Dulles therefore surmised that the argument of 'inevitability' was

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<sup>207</sup> See 'Official Text' of address given by Dulles before the Lions International Convention at San Francisco, 28 June 1957. NAA, A1209, 1957/4832, Part 1, p. 1.

<sup>208</sup> Ibid, p. 1.

<sup>209</sup> Ibid, p. 4.

the 'least cogent' argument favouring recognition. He anticipated that US policy would only change when such a move would contribute to the end of the Communist regime. For example, if it was determined that the opening of trade and cultural, or diplomatic, relations would hasten the passing of the Communist regime then the US would be happy to oblige. So, while Dulles did not rule out the prospect of change in the future, he saw absolutely no reason for the US to alter its policy at the present time, as he was of the opinion that any imminent alteration would increase the longevity of the Communist regime rather than hastening its decline. Dulles' speech illustrated that US opposition to Communist China was showing no signs of abating. While Casey had been confident that he could convince Menzies and cabinet to contemplate recognising China due, in part, to a seeming lessening of US antagonism towards China, Dulles' speech would prove to be another blow to Casey's prospects.

*The importance of America: 1958*

In light of the rigidity of US policy, Casey and his department seemed to shelve their plans to recognise China. Perhaps as a result of his previous losses, Casey became more inclined towards following accepted Party policy on the issue: he now chose to advocate the denial of recognition. The degree to which Casey had been convinced to follow the example of the US was shown in a letter he wrote to J.K. Waller, the Australian Ambassador in Bangkok, in May 1958. Casey was concerned that criticism of US policy had become prevalent in Australia's diplomatic corps and wanted to ensure that his officers continued to illustrate Australia's support for the US.<sup>210</sup> Casey was quick to point out that Australia was prepared to analyse objectively US policy and he conceded that US policy contained flaws, but he wished to confine criticism to internal discussions, believing that his officers should present the US position 'in the best possible light'. He also deemed it necessary for Australia to 'do what we can to bolster up American prestige'.<sup>211</sup> This illustrates Casey's increased resolve to pacify the US Administration. However, there were still officers in the diplomatic corps who supported recognition. P.R. Heydon, Australia's High Commissioner to New Delhi, insisted that 'recognition of Communist China in some form or other is inevitable'.<sup>212</sup> Heydon was fearful that, if diplomatic ties were not restored soon, the ability to

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<sup>210</sup> See letter from Casey to Waller dated 8 May 1958. NAA, M4323, 2003, 7, p. 1.

<sup>211</sup> Ibid, p. 2.

<sup>212</sup> Letter from Heydon to Tange dated 5 September 1958. NAA, A1838, 3107/33/1/1, Part 2, p. 2.

influence the PRC would be conceded to the Soviets. He felt that it was imperative that attempts be made to 'compete with the Russians'.<sup>213</sup> This shows that the issue was not necessarily dead within the External Affairs Department, but it would clearly be difficult to regain Casey's, and the Menzies Government's, support for any initiative to recognise Communist China in the near future.

The stringent nature of Australia's opposition to recognition was demonstrated by Menzies on 29 October 1958. Menzies identified three prominent reasons why his Administration would continue to resist the temptation to recognise Communist China. Firstly, he noted that the PRC was currently committing acts of aggression in the off-shore islands in an attempt 'enforce a territorial claim'.<sup>214</sup> Menzies stated that these actions by China showed that it was incapable of acting in accordance with the obligations of the United Nations. Menzies' second objection to Communist China was that the future of Formosa could not be compromised in any way.<sup>215</sup> Thirdly, Menzies was certain that the act of recognition by Australia would be seen to be a victory for the communists, in that it would cause friction between Australia and the US and it would be a blow to anti-communists throughout the region.<sup>216</sup> Considering that Menzies had made such a public stand against Communist China in this case, essentially making the denial of recognition an election mandate, it was clear that should Menzies retain power the recognition of the PRC would not be on the government's agenda.

#### *No recognition: 1959*

Despite Menzies' efforts to dismiss the issue, Acting Prime Minister John McEwen inflamed debate in May 1959 when he remarked that, although early recognition was out of the question, the recognition of the Communist Government as a 'de facto' government of mainland China would happen in due course.<sup>217</sup> McEwen's comments caused some dissension, with the Western Australian Branch of the Democratic Labor

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<sup>213</sup> Ibid, p. 2.

<sup>214</sup> Extract from Prime Minister's Policy Speech, 29 October 1958. NAA, A1838, 3107/33/1/1, Part 2.

<sup>215</sup> Ibid.

<sup>216</sup> Ibid.

<sup>217</sup> See 'Outward Savingram' sent from the Department of External Affairs to all posts on 5 June 1959 which details the contents of McEwen's statements. NAA, A1838, 3107/33/1/1, Part 3.

Party attacking his 'materialistic attitude'.<sup>218</sup> McEwen's statement also resulted in the Department of External Affairs receiving a visit from the Chinese Minister in Australia on 3 June, who wished to know if McEwen's comments were representative of the Australian Government's attitude.<sup>219</sup> In an attempt to assist McEwen in allaying public confusion, Casey informed him that misunderstandings might have arisen due to his use of the term 'de facto Government'.<sup>220</sup> Casey was confident that McEwen could explain his way out of the situation by stating that, through the PRC's involvement in a number of negotiations and conferences, 'Peking has already been "recognised" in quite tangible ways'. Casey believed that this statement could be made while reiterating Australia's opposition to official recognition. This example shows how Casey's ideas on the issue had evolved, illustrating that, while he still maintained his belief that the Communist regime was the legitimate government of the mainland, he now subscribed to the view that it was undesirable and unnecessary to recognise the PRC in an official capacity. Casey had therefore begun to toe the Party line on the issue.

Casey's change of heart on the issue had been driven in large part by the Communist regime's continued insistence that Formosa should come under its control. In the lead-up to McEwen's gaffe, Casey had responded to a question in the House, on 21 April, by accusing advocates of recognition of ignoring the plight of Formosa. He was certain that 'recognition which did not acknowledge Communist China's claim to Formosa would not lead to satisfactory relations with Communist China'.<sup>221</sup> Even at the height of his efforts to convince cabinet to contemplate recognition, Casey had always maintained that the security of Formosa must remain paramount. He was never prepared to consider recognition without some sort of assurance that Formosa would remain anti-communist. Casey was adamant that, while some people 'may be prepared to place Formosa and her people under communist rule...the Australian Government would not support such a course'. Therefore, while Casey's lack of success in cabinet may have been a significant factor in forcing him to abandon his attempts to get the Australian Government to recognise China, Peking's reluctance to

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<sup>218</sup> See copy of press statement issued by the Executive Officers of the Australian Democratic Labor Party, WA Branch. NAA, A1838, 3107/33/1/1 Part 4.

<sup>219</sup> Casey wrote of the Chinese Minister's visit in a letter he sent to McEwen on 4 June 1959. NAA, A1838, 3107/33/1/1, Part 3, p. 1.

<sup>220</sup> *Ibid.*, p. 1.

<sup>221</sup> CPD, H of R, 21 April, 1959.

give up its ambitions for Formosa was clearly influential in his decision to reassess his position.

The change in approach of the Department of External Affairs was further exemplified in a discussion between Tange and the US Ambassador, W.J. Sebald. When asked about the Australian Government's view on recognition, Tange acknowledged that the government had not stated that Peking 'would "never" be recognised' but he also had 'no reason to suppose that the government intended, so far ahead as I can see, to modify its present policy of non-recognition'.<sup>222</sup> Tange noted that non-recognition created problems, considering the PRC had control of the trade and military strength of mainland China, but despite this the Australian Government was committed to finding diplomatic means to reach agreements with Communist China 'without taking the formal step of recognising them'.<sup>223</sup> The reasons for this position were that any move to recognise could harm relations with the US and jeopardise the safety of Formosa. In light of this Tange stated that the Australian Government would 'continue to look for opportunities of increasing "innocent trade without recognition'. It is therefore evident that the Australian Government and its External Affairs Department had reached the conclusion that recognition was not necessary and that relations could be conducted in spite of non-recognition.

In London on 25 June, Menzies was again forced to state his government's opposition to recognition 'in the visible future'.<sup>224</sup> While espousing the usual argument about US support and Formosa, Menzies also touched on his fear that de-recognising Formosa would adversely affect the rest of Southeast Asia, most notably the Chinese communities living beyond China's borders, in nations such as Malaya and Indonesia.<sup>225</sup> Menzies felt that Australian recognition at this time would be a 'great diplomatic victory for Communist China', and would aid communist expansion throughout Southeast Asia. This is important in that Menzies' fear that recognition would provide the communists with a positive fillip throughout the rest of Asia, and particularly Southeast Asia, differed significantly from Casey's previously held

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<sup>222</sup> See External Affairs Department document which records the conversation between Tange and Sebald, on 12 June 1959. NAA, A1838, 3107/33/1/1, Part 4, p. 1.

<sup>223</sup> *Ibid*, p. 1.

<sup>224</sup> See transcript of Menzies interview with the "London Forum", recorded on 25 June 1959. NAA, A1838, 3107/33/1/1, Part 4, p. 4.

<sup>225</sup> *Ibid*, p. 4.

beliefs, which suggested that this was one of the least viable arguments against recognition. However, Casey's adherence to the common government consensus on China was demonstrated on 29 June, when he emphasised the effect that recognition would have on 'the large Chinese communities in South East Asia'.<sup>226</sup> Nevertheless, Casey still placed more importance on the plight of Formosa and its population, stating that, 'On grounds of self-determination and of human decency, we cannot see them handed over to the Communist Chinese against their will'.<sup>227</sup> Casey explained that the 'conditions that Peking lays down as being the only conditions on which they would accept our recognition cannot be accepted by us'.<sup>228</sup> This also helps explain why Casey had reverted to such a negative approach.

While the Australian Government tried to maintain its firm opposition to recognition, the aforementioned statements and interviews demonstrate that the issue was becoming increasingly prominent. In this climate, Tange believed that the government needed to present a concise case to the Australian public that would put the issue to bed, at least for the time being. Tange was critical of the government's approach, believing that there had yet to be a significant statement made on the issue, which adequately presented the pros and cons of the case.<sup>229</sup> He therefore set about compiling a paper which would rectify this situation. In essence, Tange was keen for the Australian Government to adopt an approach whereby it would not tie itself rigidly to one course of action. Tange believed that it was necessary to avoid 'emotionally-charged arguments'.<sup>230</sup> He pointed out that a number of the arguments that had been used by the government to denounce recognition no longer had sufficient validity to be used in future. As stated earlier, the External Affairs Department had long believed the argument that recognition would adversely influence overseas Chinese was no longer viable, a view to which Tange continued to subscribe.<sup>231</sup> He suggested that this issue should only be raised in relation to Formosa in future. He also dismissed the argument that recognition should be denied due to the

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<sup>226</sup> Casey addressed the Australian-Asian Council on in Sydney on 29 June. NAA, A1838, 3107/33/1/1, Part 4, p. 5.

<sup>227</sup> Ibid, p. 5.

<sup>228</sup> Ibid, p. 5.

<sup>229</sup> See Tange's paper, 'The Problem of Public Support for the Government's Policy on the Question of the Recognition of Communist China', dated 21 July 1959. NAA, A1838, 3107/33/1/1, Part 4, p. 2.

<sup>230</sup> Ibid, p. 8.

<sup>231</sup> Ibid, p. 6.

continued aggression of the Chinese regime, as this was based on more emotional rather than factual grounds.

Tange placed considerable weight on two arguments. Firstly, he noted that the idea that the conditions placed upon recognition by the communists made recognition untenable for Australia was 'securing wider understanding'. In particular, Tange was heartened by a seeming 'general acceptance' in Australia of the policy that the security of Formosa must be ensured. He therefore believed that government officials should highlight the communists' continued claim over Formosa. Secondly, Tange wished to improve the government's arguments which emphasised the need to maintain good relations with the US. Tange was surprised at the degree of derision the government's assertion that it must protect its relationship with the US had received.<sup>232</sup> He could not see how the government could reconcile its decision to recognise Peking while continuing to court US support in the Pacific region through SEATO and ANZUS. In this case, Tange believed that, if Australian officials continued to acknowledge that the Communist regime was in control of mainland China while denying recognition, this would provide a point of divergence between Australian and US policy which might allow for Australia to appear to be taking a more realistic approach than the rigid programme of the US.<sup>233</sup> If advocates of recognition suggested that Australia should recognise due to Communist China being a 'fact', the government should respond by noting the number of countries, Canada and New Zealand included, which continued to deny recognition.<sup>234</sup> The government should also focus on the fact that there would be few benefits to Australia recognising.<sup>235</sup> With Tange's more concise appraisal of the topic, the Australian Government now faced the task of trying to put the issue to rest, once and for all.

*Casey's last speech on the issue: 13 August, 1959*

In Parliament on 13 August, within a month of the compilation of Tange's report, Casey signalled his intention to 'make as objective and unemotional an appraisal as I can of the relationship between Australia and Communist China'.<sup>236</sup> He remarked that

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<sup>232</sup> Ibid, p. 7.

<sup>233</sup> Ibid, p. 8.

<sup>234</sup> Ibid, pp. 8-9.

<sup>235</sup> Ibid, p. 9.

<sup>236</sup> CPD, H of R, 13 August, 1959, p. 195.

many observers 'believe it is the proper course for Australia to take, on formal legal grounds, notwithstanding what anyone else may do', and that recognition would 'contribute to international stability'.<sup>237</sup> Casey also noted the claims that the normal rules for diplomatic recognition had been satisfied due to the fact that 'the government is established in Peking and that it is in a position to exercise its sovereignty and carry out international obligations'. The measured tone of Casey's speech was demonstrated by his assertion that these claims were 'broadly true'. Casey also made a telling concession to the PRC in his statement that

It is contended that, if the Australian Government accepts the fact of the existence of the Chinese Communist regime as, of course, we must do, then logically it should take steps towards diplomatic recognition.

This was the first time that a minister of the Australian Government had made a statement, in an official forum, which acknowledged the legitimacy of the Communist Chinese Government, and this represents an important departure from previous policy. This statement had added importance in that it basically closed the door on the idea that the Nationalist regime could still be considered to be the legitimate government of the mainland, a concept that the US Administration still adhered to. As Tange had suggested, Casey was seeking to ensure that the Australian Government was taking a more pragmatic approach in its policy towards China which again highlights Casey's, and his department's, attempt to promote and implement an independent Australian foreign policy.

However, despite this seemingly progressive move, Casey was quick to point out that there were a variety of reasons why the Australian Government could not recognise China in an official capacity. He questioned China's humanitarian record and its ability to adhere to international obligations and noted that fifty other nations, besides Australia, had chosen to deny recognition.<sup>238</sup> He listed the conditions laid down by the Chinese regime as prerequisites for recognition, with the breaking off of diplomatic relations with the Nationalist regime on Formosa being a particular sore point. Casey again asserted the desire to safeguard Formosa, but more reservedly,

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<sup>237</sup> Ibid, p. 195.

<sup>238</sup> Ibid, p. 196.

simply suggesting that Australia did not wish to deprive itself of diplomatic relations with a government that was responsible for a population of ten million people. He also dismissed the ‘two Chinas’ argument, suggesting that this would never be accepted by either party as an adequate solution, due in part to the communists’ assertion that Formosa was an ‘inalienable part of China’. Casey also expressed the government’s wish to retain Formosa as an alternative enclave for non-communist Chinese.<sup>239</sup> In this case, Casey again employed less emotive language than had previously been used in an attempt to make his speech seem more balanced.

Casey made it clear that recognition would have a negative affect on Australia’s relationship with the US, commenting that recognition by Australia ‘would be a fundamental breach in policy between Australia and the United States’.<sup>240</sup> He appealed to advocates of recognition to recognise that the United States represented the ‘most important military counterpoise to Communist China’. He was concerned that any attempt to recognise China by Australia could be ‘exploited by Peking’ in an effort to undermine the US. Casey also considered that recognition of Peking ‘would not overcome the practical problems relating to Chinese representation in the United Nations’.<sup>241</sup> He highlighted the fact that in each of the nine years since the question had become prevalent, the Assembly had decided by a substantial majority to maintain the status quo. Casey was also confident that recognition would offer no significant advantages to Australia. He emphasised the fact that Australia and mainland China had already developed ‘contacts and relationships’ on both a diplomatic and trade level without the need for recognition. Furthermore, he highlighted the fact that Communist China and Western nations had been able to conduct international diplomacy through Ambassadors at meetings in Warsaw and Geneva, irrespective of recognition.<sup>242</sup> He also rejected the idea that recognition would offer Australia the chance to influence China, noting that the experiences of existing diplomatic missions in Peking had shown that this was not possible.

In light of Communist China’s seemingly inflexible attitude towards Western nations, Casey could see no positive reason for Australia to offer recognition. Casey had

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<sup>239</sup> Ibid, p. 197.

<sup>240</sup> Ibid, p. 197.

<sup>241</sup> Ibid, p. 197.

<sup>242</sup> Ibid, p. 198.

previously argued that contact with Peking would allow Western nations to have a positive effect on the Communist regime, and would provide an opportunity to diminish the influence of the Soviet Union. Casey's understanding of the situation had altered by 1959, due to the fact that other countries, such as the United Kingdom, had little success in their relations with the Chinese despite their early decision to offer recognition. When combined with the PRC's continued claim over Formosa, Casey was faced with no option but to end his support of recognition. Casey's decision to withdraw his support for recognition effectively brought the evolution of his ideas on the issue full-circle. He began the decade in a position where he was unable to endorse recognition, due to the Korean conflict, and, after a mid-decade flurry of activity, he ended the decade, and his term in office, in an untenable position on the issue. However, despite his adoption of anti-recognition, Casey still offered some hope for recognition, remarking that the government was not 'slamming the door for all time'.<sup>243</sup> As Tange had suggested, Casey was careful not to lock the government into a position which it may find it hard to extricate itself from in future. Casey ended his address to the House by stating that the circumstances compelled the government to persist with its policy of recognising the Nationalist regime on Formosa while denying recognition to Communist China.<sup>244</sup> He justified this position on the grounds of it being in the national interest, disregarding juridical considerations.

### *Conclusion*

Over the course of the 1950s, Casey maintained a flexible attitude when it came to approaching Australia's policy towards Communist China. From the outset of the decade he was aware of the need to initiate diplomatic relations between Australia and China. However, throughout the decade events conspired to nullify Casey's attempts to alter Australia's existing policy of non-recognition. Initially, his efforts were hampered by the Korean War, with Chinese aggression making it impossible for the Minister to present his views in an enviable light. In the later years of the decade, the intractability of US views on the issue, combined with Australia's growing reliance on its Pacific partner, made it difficult for Casey to reconcile his push for recognition with the damage it might do to US-Australian relations. Furthermore, Chinese reluctance to renounce their claims to Formosa forced Casey to reassess his own

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<sup>243</sup> Ibid, p. 199.

<sup>244</sup> Ibid, p. 199.

commitment to the cause for recognition. Yet despite the seeming unsuitability of his views in the context of the time, on numerous occasions he presented his ideas to his contemporaries, both in the Australian Government and in the administrations of other nations. He always seemed to be waiting for the most suitable time to offer his views. In 1954 and 1955, in a climate of international negotiation highlighted by conferences in Geneva and Bandung, Casey realised that it was time to act. It could be argued, as Waters suggested, that Casey adopted a *realpolitik* approach to China, in that he simply sought to deal with a regime which was undeniably in control of the nation. Yet this conclusion detracts from Casey's dedication to improving relations with the region which were in evidence throughout the decade.

In attempting to convince his colleagues to alter the Australian Government's position in regard to China, Casey may not have been as forceful or as compelling as some other advocates may have been, yet his persistence cannot be denied. He made a number of approaches to either cabinet or Menzies over that two year period in the middle of the decade with little success. Menzies, and cabinet, remained steadfast in their refusal to accept Casey's pleas for a change in policy. There can be little doubt that Casey's lack of success in cabinet was greatly influenced by his decisions in regard to both the Manila conference and the Suez Crisis. In these examples Casey suffered a critical loss of standing within the Party which severely decreased his chances of getting cabinet approval for his China policy. Furthermore, incidents such as the Offshore Islands crisis and the Petrov affair increased the cabinet's ill-feeling towards communism and China at the most crucial point of Casey's endeavour to persuade his colleagues. As Casey told cabinet, the time may never be opportune for the government to consider recognising Peking; and it appears that he was correct in this assessment.

However, the fact that Casey remained open to the idea of recognition regardless of adverse conditions is a clear indication of his measured and realistic approach to foreign affairs. Casey's astute outlook on the issue would eventually be shown in the actions of the Whitlam Government, and the Nixon Administration, which adopted policies which bore striking resemblance to those espoused by Casey two decades earlier. The External Affairs Department under Casey became much more Asia oriented in its approach and developed a more nuanced and diplomatic understanding

of how to conduct relations with the region, and in particular with China. In essence, it could be argued that the activities and opinions promoted by Casey during his time at External Affairs laid the groundwork for the policy eventually implemented by Whitlam. Although Casey's anti-communism cannot be disputed, his dedication to the idea that diplomatic relations between governments were necessary to avoid conflict, irrespective of prevailing political ideologies, illuminated a unique character in Australian Cold War politics. Despite his failure to alter Australia's negative policy towards China, it cannot be denied that the thoughts and actions of Australia's Minister for External Affairs incorporated a degree of independence that has not previously been widely accredited to members of the Menzies Government.

***CHAPTER 2: ‘TWO PRETTY DIFFICULT HORSES’:  
CASEY AND THE WEST NEW GUINEA DISPUTE,  
1951-1960***

On 27 December 1949, within days of the Menzies Government coming to power, the Dutch Government formally transferred sovereignty of its former colonies in the East Indies to the newly formed Republic of the United States of Indonesia. However, the Dutch refused to relinquish their hold on the western region of New Guinea. Although it was determined at the Hague Round Table Conference that the dispute would be settled by negotiation between the Netherlands and Indonesian Governments within the following twelve months, the dispute lingered for more than a decade, encompassing Richard Casey’s entire term in office. This dispute proved to be one of the major problems faced by Casey and his department throughout the Minister’s tenure. The Australian Government’s decision to support the Dutch in their campaign to retain West New Guinea forced Casey to navigate a difficult course between the need to ensure Australia’s security while continuing to foster a close and productive relationship with the new Indonesian regime.

This chapter will discuss Casey’s policy on the issue; particularly his devotion to the idea of ‘cold storage’, whereby he sought to encourage both the Dutch and Indonesian Governments to overlook indefinitely the dispute. This chapter will also illuminate the inner workings of the External Affairs Department by highlighting, in particular, the input of Ambassadors such as Walter Crocker and Percy Spender. A number of episodes throughout the decade which forced Casey to openly tackle the matter will provide the central focus: these were Indonesian Foreign Minister Subardjo’s proposal in 1951; Indonesia’s efforts to have the issue addressed at the UN from 1954 to 1957; Casey and the department’s response to the Indonesian Rebellions in 1958; and the Joint Statement issued by Casey and Indonesia’s Foreign Minister Dr. Subandrio in 1959. Particular emphasis will be placed on analysis of the department’s proposed alteration of Australia’s policy on the issue in 1955, and Casey’s attempt to have this new direction accepted by cabinet. By focusing on these issues it will be demonstrated how Casey’s outlook towards the West New Guinea (WNG) dispute evolved throughout the decade. This will in turn illuminate his efforts to create a foreign

policy for Australia which would be able to effectively achieve his seemingly conflicting ambitions of maintaining a Dutch presence in WNG while attempting to develop closer ties between Australia and Indonesia.

*Set in stone: Initial Australian policy towards the status of West New Guinea, 1950.*

From the very beginning, Casey was presented with a policy on WNG that unquestionably supported the retention of the Dutch in the region. The Australian psyche in regard to New Guinea during the 1950s was indelibly linked to the role it played in Australia's defence during the Second World War, due in large part to the legend forming around the Kokoda Track. The need to defend and hold New Guinea to protect Australia's northern approaches still permeated Australian foreign policy during the 1950s. This is particularly evident in the rhetoric of Casey's predecessor, Spender, who made it abundantly clear throughout his time at External Affairs that Australia would support the Dutch decision to remain in WNG. On 8 February 1950, Spender informed Dutch Envoy, P.E. Teppema, that the Australian Government did not recognise WNG as being a part of Indonesia.<sup>1</sup> Spender believed that the population of WNG had little in common with the rest of Indonesia, in both ethnic and developmental terms. Spender identified the similarities between the inhabitants of WNG and the Australian controlled region in the east. He also raised the question of security, claiming that Indonesian control of WNG would diminish the stability of the new republic while weakening WNG to the point that it would adversely affect Southeast Asian strategic planning.<sup>2</sup>

In these circumstances, Spender expressed the Australian Government's 'profound misgivings' in regard to any attempt to transfer sovereignty of WNG to the Indonesians. On 9 March 1950, Spender was even more forthright in his assessment, stating that New Guinea was 'an absolutely essential link in the chain of Australia's defence'.<sup>3</sup> Spender believed that New Guinea, as a whole, was Australia's 'last ring of defence against aggression'. Reinforcing his position in June, Spender asserted that Australia had 'direct and vital interests' in the dispute, and he believed that Australia should have a say in any decision to be made in regard to the status of WNG due to

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<sup>1</sup> Letter from Spender to P.E. Teppema, Envoy Extraordinary and Minister Plenipotentiary of the Government of the Netherlands, on 8 February 1950. NAA, A1838, 696/3/9, p. 1.

<sup>2</sup> Ibid, p. 2

<sup>3</sup> CPD, H of R, 9 March 1950, p. 628.

the proximity of Papua.<sup>4</sup> While not specifically stating Australia's preference for Dutch rule of WNG in these instances, Spender made it clear that Australian interests should be taken into account before any decision was made.

The Menzies Government was not alone in making such an assessment of the dispute over WNG. Despite the Chifley Government's unequivocal support of the Indonesian revolution, it had also supported the Dutch in regard to WNG. In fact despite Australia representing Indonesia at the Round Table Conference, Australia's representative on the United Nations Commission for Indonesia, T.K Critchley, proved to be the driving force behind efforts to have WNG removed from discussions. Critchley initially suggested that WNG be placed under an international trusteeship and then, when this proposition failed, his subsequent suggestion that the issue be postponed for twelve months was adopted by both parties.<sup>5</sup> It is therefore clear that the decision to support the Dutch claim to WNG was endorsed by both sides of Australian politics. This was further emphasised on 16 March 1950, when Evatt, now Leader of the Opposition, told the House that there should be no alteration to the status of WNG without Australian consent, dismissing suggestions that the Indonesians could lay claim to any other parts of New Guinea.<sup>6</sup> Furthermore, Evatt highlighted the significant differences between the inhabitants of WNG and Indonesia, noting that the region belonged to the Pacific area rather than the Asiatic region and that the Melanesian nature of West New Guineans further separated them racially from Indonesians. It is evident that from the outset of the dispute both sides of the Australian political spectrum were outspoken in their support of the Dutch in their efforts to retain sovereignty over WNG. Casey was therefore faced with a policy on WNG that was set in stone when he came to External Affairs in 1951.

*'In the refrigerator': Casey's initial response to the dispute, 1951.*

Despite the conviction of his predecessors and contemporaries, Casey immediately demonstrated signs of being less strident in his support for Dutch retention of WNG. Casey's wartime experience was vastly different to the majority of his cabinet colleagues in that he spent most of the period in overseas posts, in Washington, Cairo

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<sup>4</sup> CPD, H of R, 8 June 1950, p. 4011

<sup>5</sup> C.L.M. Penders, *The WNG Debacle: Dutch Decolonisation and Indonesia, 1945-1962*, Crawford House Publishing, Adelaide, 2002, p. 164.

<sup>6</sup> CPD, H of R, 16 March 1950, p. 918.

and Bengal. In terms of WNG, this therefore gave Casey a perspective on the issue that was less coloured by the wartime fears of his colleagues and was informed more by his diverse contacts and experiences. Within weeks of attaining the External Affairs portfolio, Casey was receiving advice that Dutch businessmen believed that Holland would 'lose more than it would gain by sticking to Dutch N.G.' Casey observed that the issue had divided the Dutch population and that it was therefore being kept 'in the refrigerator' for the time being.<sup>7</sup>

During his first trip abroad as Minister for External Affairs, Casey visited Indonesia and met with a number of prominent officials including the Vice-President, Dr. Mohammad Hatta, and the Prime Minister Dr. Sukiman. During these meetings neither Casey nor his Indonesian counterparts made mention of WNG. Casey wrote that the issue was 'in cold storage'.<sup>8</sup> In his summary of his visit, presented to cabinet on 21 September, Casey noted that considering the courtesy shown to him by the Indonesians and in light of their decision to ignore the subject he chose to follow suit.<sup>9</sup> Furthermore, Casey stated that the Dutch had implored him to refrain from mentioning the issue. Casey noted that there was still residual positive sentiment towards Australia in Indonesia due to Australia's role in the establishment of the new nation, and Casey wished to develop this goodwill into an effective working relationship between the two nations.<sup>10</sup> He acknowledged that the dispute over WNG had somewhat affected the relationship but he hoped that Indonesia might be 'induced to forget' the issue, which would allow for satisfactory relations to develop. While Spender had been much more forthright in his conviction, it is evident that, in an effort to maintain cordial ties with both the Dutch and the Indonesians, Casey would seek to maintain the *status quo* by effectively putting the issue on ice. However, Casey's belief that the dispute could be set aside is an early indication of the degree to which Casey misjudged the importance of the issue, in Dutch and, particularly, in Indonesian politics.

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<sup>7</sup> Casey diaries, 6 June 1951, NAA, M1153, 49A.

<sup>8</sup> Ibid

<sup>9</sup> 'Report on visit to South-East Asia and East Asia by Minister for External Affairs', NAA, A4905, 129, p. 9.

<sup>10</sup> Ibid, p. 10.

*Subardjo's proposal, 1951.*

Casey's efforts to keep the issue in 'cold storage' were significantly hampered in November 1951 when, during talks in the Netherlands, Indonesia's Minister of Foreign Affairs, Ahmad Subardjo, presented the US with a proposal for the resolution of the dispute over WNG.<sup>11</sup> Subardjo suggested that Indonesian sovereignty over WNG could be agreed upon if Indonesia provided a guarantee of Dutch interests in the region for a period of 25 years. Citizens of the Netherlands, the US and Australia would receive preferential treatment, while business enterprises of the three nations would be given the opportunity to develop natural resources. Subardjo also intended that technical assistance would be provided by the Dutch, US and Australians in the administration and economic development of the region. Subardjo believed that a swift solution to the dispute would contribute significantly to Indonesia gaining greater political stability.

The Indonesian proposal had the desired affect on at least one member of the US Administration. On 17 November 1951, the US Ambassador to Indonesia, Merle Cochran, told Casey that the Dutch should relinquish WNG as it was 'essential to the political stability of Indonesia'.<sup>12</sup> Cochran was concerned that the existing Government of Indonesia would be replaced by a more radical alternative if the dispute was not settled in the Indonesians favour. Cochran's position was influenced by Sukarno's insistence that the Dutch were 'holding [a] pistol at the head of Indonesia' by retaining control of WNG.<sup>13</sup> Cochran stressed the importance of maintaining friendly relations with Indonesia considering its geographic position and also its resources, particularly petroleum, tin and rubber.<sup>14</sup> Although Casey admitted to Cochran that he had been impressed by Indonesia's recent progress, he remained unconvinced that the WNG dispute could threaten the incumbent Indonesian Government. Privately, Casey agreed with the assessment of John Hood, Australia's Ambassador to Indonesia, who believed that the Americans' acquiescence to Indonesia was due almost entirely to the commercial considerations in the region. This demonstrates that, from the outset, the Australian and US positions on the

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<sup>11</sup> Casey outlined Subardjo's aide-memoire in a diary entry on 17 November 1951. NAA, M1153, 49A.

<sup>12</sup> Casey diaries, 17 November 1951. NAA, M1153, 49A.

<sup>13</sup> See *Foreign Relations of the United States (FRUS), 1951*, vol. VI, Asia and the Pacific, Part 1, United States Government Printing Office, Washington, 1977, p.726.

<sup>14</sup> *Ibid*, p. 727.

dispute were vastly different. While the Australian Government considered the retention of the Dutch in WNG as integral to Australia's security, the US were much more concerned with keeping Indonesia, with its wealth of natural resources, appeased. Furthermore, the US understood the importance of keeping a strong, stable and friendly regime in power in Indonesia as a bulwark against the spread of international communism. Cochran and the US Administration's position brought Casey to the realisation that it would be 'pretty difficult' to get the State Department to support the Dutch.<sup>15</sup> In fact Cochran urged Casey to encourage the representatives of the Netherlands and Indonesia to commence negotiations as soon as possible.<sup>16</sup>

Casey was later asked by Dutch ministers, including the Minister for Foreign Affairs, Dirk Stikker, to attempt to gain support for the Dutch position in London and Washington.<sup>17</sup> Casey therefore found himself in the unenviable position of trying to support the Dutch in their efforts to retain WNG while attempting to placate both the US and the Indonesians. In the prevailing circumstances, Casey attempted to put the issue back into 'cold storage'. On 19 November Casey spoke to Subardjo about the situation and suggested that it was unwise to continue to press the issue of WNG at the present time due to the tenseness of the political tempers of the nations involved. Casey appealed to Subardjo to drop the issue and instead focus Indonesia's energies on the threat posed by Communist China. Casey argued that the Australian people were 'ultra-sensitive' about the subject and he suggested that the 'relatively much smaller matter of Dutch New Guinea' should not be allowed to drive a wedge between Australia and Indonesia at such a crucial time. Casey's effort to shelve the issue was best illustrated by his suggestion that Subardjo and his countrymen should allow the issue to rest 'for a year or two', when a satisfactory solution to the dispute might be found. However, Casey did make a surprising concession to the Indonesians by suggesting that the prevailing Australian attitude to the dispute was 'perhaps' quite illogical. It is therefore clear that Casey's understanding of the dispute was far less fixed than Spender and it is evident that he was much more concerned with maintaining friendly relations with the Indonesians than Spender had been.

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<sup>15</sup> Casey diaries, 17 November 1951. NAA, M1153, 49A.

<sup>16</sup> *FRUS*, vol. VI, op cit, p. 727.

<sup>17</sup> Casey diaries, 17 November 1951. NAA, M1153, 49A.

In London on 22 November, Casey found that he was not alone in his endeavour to defer discussion of WNG. William Strang, the Permanent Head of the Foreign Office, told Casey that ‘the longer the matter could be kept in cold storage the better’.<sup>18</sup> Casey agreed with Strang, noting his recent meeting with Subardjo. While Strang believed that the issue had resurfaced due to recent constitutional developments, Casey was more wary of US influence, believing that Cochran may have encouraged the Indonesians to raise the issue. In addition to Strang’s support, on 26 November Casey was informed by the Foreign Office that the UK would not support unilateral action by the Indonesians on the issue of WNG. Casey also presented his case to his Canadian counterparts, arguing that Australia wished to retain Dutch presence in WNG due to ‘the dangers to us of a weak Indonesian Government controlling an area adjacent to us’.<sup>19</sup> However, Casey again betrayed his lack of faith in the Dutch by suggesting that he doubted ‘in the long run’ whether the Indonesians could be prevented from acquiring WNG. This again demonstrates Casey’s inherent understanding of the international situation. While others, most notably Spender, were prepared to risk Australia’s relations with its closest neighbour by supporting an essentially lost cause, Casey was more open to the reality of the situation. Unlike Spender, who steadfastly supported the Dutch, Casey attempted to employ a method which would at least postpone the inevitable, allowing Australian public opinion to progress whilst also permitting the maintenance of cordial relations with Indonesia.

*Spender and Casey appeal to the State Department.*

Australian efforts to reassure the US on the issue also continued. On 27 November Cochran received a message from Canberra which outlined Australia’s reluctance to support Indonesia’s claim to WNG due to the fear that this acquisition would lead to Indonesia seeking to absorb the eastern half of New Guinea as well.<sup>20</sup> While the message suggested that Australia’s position might change in the event of a more stable Indonesian Government attaining power, it was argued that, for the present, the issue should be ‘left dormant’. Cochran expressed disappointment at the contents of the message, believing that it contained ‘serious misstatements’ and conveyed an ‘entirely too pessimistic picture’ of the situation in Indonesia. On 30 November,

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<sup>18</sup> Casey diaries, 22 November 1951, M1153, 49A

<sup>19</sup> Casey diaries, 1 December 1951, M1153, 49A.

<sup>20</sup> *FRUS*, vol. VI, op cit, p, 735.

Spender went a step further by personally appealing to James Webb, the Acting Secretary of State in the absence of Acheson, to insist that Cochran use his influence with the Indonesian Government to 'bed down' the New Guinea issue.<sup>21</sup> Webb told Spender that the US Government did not wish for the issue to be raised either. However, Webb refused to openly discourage the Indonesians, believing that this would simply result in greater intransigence on their behalf. Spender could only get Webb to agree to monitor the situation, to ensure that it did not escalate.

Despite Webb's seeming indifference to Spender's appeal, Casey, now in Washington, and Spender chose to confront the State Department again on 10 December.<sup>22</sup> Considering his conviction that the US may have been involved in the recent prominence of the issue, Casey felt it necessary to take the issue to 'the limit' in an effort to prevent the US from supporting any future moves by the Indonesians. Casey told Webb that Australian public opinion on this issue was liable to 'catch fire' and that the longevity of the Menzies Government was in jeopardy if Indonesia gained possession of WNG. Casey argued that WNG required considerable development and was therefore of little value to Indonesia.<sup>23</sup> He considered that the issue was only of concern to Indonesia on grounds of prestige and that this had only been caused by the work of 'a few demagogues'. He was unconvinced as to the strength of general public opinion on the issue in Indonesia.

Casey's belief that the dispute over WNG was of little consequence to Indonesia is an initial indication of the degree to which Casey misjudged the atmosphere and reasoning behind the Indonesian stance. For a number of reasons, Sukarno and his contemporaries within Indonesia believed that the integration of WNG was crucial to the stability of the fledgling nation. Sukarno and the Indonesian hierarchy were adamant that all territory which had previously been ruled by the Dutch should now be transferred to the new Indonesian state.<sup>24</sup> During 1950, the Dutch decision not to relinquish WNG caused Sukarno to question the stability of the Republic of the United States of Indonesia and led, in part, to the President's decision to dissolve the

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<sup>21</sup> Ibid, p. 737.

<sup>22</sup> Casey diaries, 10 December 1951, NAA, M1153, 49A.

<sup>23</sup> *FRUS*, vol. VI, op cit, p. 748.

<sup>24</sup> Bob Catley, *Australian Indonesian Relations Since 1945: The Garuda and the Kangaroo*, Ashgate Publishing, Sydney, 1998, p. 20.

Republic of the United States and replace it with the Republic of Indonesia. In this way, Sukarno hoped to prevent any further fragmentation of the nation. WNG was considered to be the last piece in the puzzle that would complete the Indonesian nation, and Sukarno was determined that Indonesia's previous colonial masters should be completely removed from the region. In addition to these arguments, the Indonesian Government was of the opinion that WNG had formed part of the Madjapahit Empire which had purportedly been a fourteenth century predecessor to what now constituted Indonesia.<sup>25</sup> The Indonesian case for acquiring WNG was therefore not simply a matter of prestige; there were also significant historical and psychological reasons behind Sukarno's position. This suggests that Casey's understanding of Indonesia and its motives was, at this stage, vastly underdeveloped and, to some extent, naïve, in that Casey was unable to comprehend how important the acquisition of WNG was to a fledgling nation, and government, such as Indonesia.

The difference in style between Casey and Spender was highlighted when Casey raised the prospect of public pressure being placed on the Australian Government to take action against Indonesia if it appeared to move into WNG. While Casey simply mentioned action being taken, Spender suggested that the use of force might be required. When Casey suggested that the issue be 'placed on ice', Spender took the opportunity to remark that Cochran's continued appeals to the Indonesians and the Dutch to resolve their differences was placing undue pressure on the Dutch to make further concessions. While Casey sought to reason with Webb, Spender was clearly much more forthright in his conviction and was prepared to be more forthright. In the end, Webb agreed to give Casey's views careful consideration. The following day Casey presented his case to Truman, reiterating the threat the issue posed to the Australian Government if 'it went wrong'.<sup>26</sup> Although unable to receive a commitment from Truman, Casey believed that the President 'made appreciative and understanding noises'. Casey also received positive reassurances from the UK. On 19 January 1952, Casey wrote to Eden, again outlining Australia's concerns in regard to an Indonesian acquisition of WNG.<sup>27</sup> In response to Casey's appeal, Eden stated that he had impressed upon Acheson that it was the desire of both the British and

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<sup>25</sup> Ibid, p. 21. See also Penders, op cit, p. 287.

<sup>26</sup> Casey diaries, 11 December 1951, NAA, M1153, 49A.

<sup>27</sup> Letter from Casey to Eden, 19 January 1952. NAA, A10299, D10.

Australian Governments to keep the issue in 'cold storage'.<sup>28</sup> Thus Casey was able, for the time being, to prevent any further action being taken on the issue.

Spender's attempt to override Casey was not an isolated incident. On 11 January 1952, as Casey was appealing to his foreign counterparts to temporarily shelve the issue, Spender was making his own pleas to Anthony Eden. Spender wrote to Eden, at the request of Menzies, to implore the British to induce the US to 'restrain the Indonesians from pressing the issue of Dutch New Guinea to the point of crisis'.<sup>29</sup> Eden responded to Spender that he was confident that Acheson and the US Administration shared UK and Australian views on the importance of 'piping down' the issue of WNG.<sup>30</sup> While this may have simply indicated Menzies seeking to reinforce the Australian position through his Ambassador in Washington, the distinct impression remains that Spender was trying to continue his prominent role in the conduct of Australia's foreign policy. Furthermore, Menzies clearly still placed great weight on Spender's views and activities regardless of the degree to which this might undermine the position of Casey. Evidently, Casey still faced a considerable battle to have his own vision of Australia's foreign policy adopted by the Menzies Government.

In addition to this example, in his memoir Spender identified an exchange during 1952 between himself, Casey and Myron Cowen, a Special Assistant to the Secretary of State, where Cowen asked Casey how long Indonesian pressure to gain possession of WNG could be resisted.<sup>31</sup> Casey's reply was 'about five years'. Spender took exception to this response and made his thoughts known 'in rather direct terms'. Spender believed that the pressure could be resisted indefinitely. Spender argued that Casey's attitude in this exchange was a first indication of Casey's change of heart on the issue, which would eventually lead him to abandon the Dutch, in Spender's eyes, in the joint communiqué with Subandrio in 1959, which will be detailed later. Spender's description of the meeting between himself, Casey and Cowen demonstrates the gulf between Casey and Spender on how the dispute should be

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<sup>28</sup> Letter from Eden to Casey, 24 January 1952. NAA, A10299, D10.

<sup>29</sup> Letter from Spender to Eden, 11 January 1952. Papers of Sir Percy Spender, NLA, MS4875, Box 1, Correspondence, 1951-1958.

<sup>30</sup> Letter from Eden to Spender, 14 January 1952. NLA, MS4875, Box 1, Correspondence, 1951-1958.

<sup>31</sup> Percy Spender, *Politics and a Man*, Collins, Sydney, 1972, pp. 298-9.

approached. It is also clear that Spender was still prepared to make his voice heard, despite his less prominent role in the department. Spender evidently believed that his role as Casey's predecessor gave him the right to continue to exert influence over Australia's external affairs, and his prominent role as Ambassador to Washington gave him scope to achieve this goal with Australia's most important ally. An exploration of the interplay between Spender and Casey, in particular on the issue of WNG, will be crucial to a comprehensive assessment of Casey's role at External Affairs.

*Scotching the snake: Spender's view, April 1952*

While Casey had managed to stifle discussion of WNG in the months following Subardjo's proposal, in the process gaining UK and US support for his efforts, Spender was less than impressed with the policy. Spender believed that Australia needed to make its position on the issue clear.<sup>32</sup> Spender believed that the impending Dutch elections necessitated that Australia strengthen its support of the Dutch so as to send a message to the greater international community. Spender felt that the Indonesians' apparent willingness to 'damp down' the issue until after the Dutch elections was simply an attempt to reassess and re-establish their own plans in regard to attaining WNG. While Spender understood the benefits of 'letting sleeping dogs lie' he believed that this only applied 'so long as they continue to sleep'.<sup>33</sup> Spender was adamant that we have 'hardly scotched the snake', believing that Australia remained 'in danger of its former tooth'. Spender therefore felt that it was important to make a positive move in support of the Dutch before the Indonesians had the chance to raise the issue again. Spender was particularly keen to press the UK for added support. He acknowledged the success of recent efforts to get the UK to defer the issue and he was particularly impressed by Eden's ability to have a positive effect on the US. Spender wished to solidify the UK's support for Australia's position on the issue in the hope that they would be able to further positively influence the US.

Spender perceived the next few months, in the lead up to the Dutch elections, as being an ideal opportunity for Australia to tackle the issue. Spender suggested that Australia should be seeking to build closer ties between its administration in Papua and the

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<sup>32</sup> Letter from Spender to Casey, 2 April 1952. NAA, A10299, D10, p. 1.

<sup>33</sup> *Ibid*, p. 2

Dutch in WNG. He felt it would be unwise to rely on 'cold storage' for much longer and he was concerned that after the elections it might be impossible to keep the issue on ice. Spender sounded an ominous warning in his statement that

We must stop by whatever means we can the Indonesians pushing the door open, even an inch, for if they do it won't be long before it will be wide open with incalculable consequences for Australia.<sup>34</sup>

Spender clearly believed that it was time to reinstate the more assertive policy which had been applied during his term, and he urged Casey to act. As in the case of the appeal to the State Department, Spender again showed that he was unwilling to compromise on the issue of WNG and he openly wished Australia to take decisive action if necessary. Again, Spender seemed to be attempting to conduct Australia's foreign policy from afar. Thus Casey continued to have to fight his predecessor to assert his own conceptions of Australia's policy.

*A pistol pointed at the heart of Indonesia: Casey meets Sukarno, 5 April 1952*

As Spender was making his thoughts known, Casey was travelling through Southeast Asia after attending a meeting of the Colombo Plan Consultative Committee in Karachi. On 5 April Casey visited Sukarno, and very quickly found himself ensconced in discussion about WNG.<sup>35</sup> Casey told Sukarno that, in light of the communist menace, it was extremely important to maintain a confident and close relationship between Australia and Indonesia. Casey explained that this relationship would be gravely affected if Indonesia was to gain sovereignty over WNG. He noted the degree of opposition among the Australian public and asked Sukarno if it was worth jeopardising relations with Australia simply to gain possession of a 'prestige' piece of territory. Casey questioned the value of WNG to Indonesia noting that it would require millions of pounds for development from Western nations such as the US, the UK and, to a lesser extent, Australia. Casey wished to know if Sukarno was prepared to 'sacrifice the substance for the shadow'. Sukarno responded that he was 'only the mouthpiece, the loud-speaker of his people', and that the issue of WNG was on the agenda of every political party in Indonesia. Sukarno was unconcerned that

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<sup>34</sup> Ibid, p. 3.

<sup>35</sup> Casey diaries, 5 April 1952, NAA, M1153, 49A.

WNG was underdeveloped, believing that it was essential to the security of Indonesia, in that it represented 'a pistol pointed at the heart of Indonesia'. Casey protested at this emotive language, to which Sukarno admitted that this was a slight exaggeration. Casey sought to diffuse the situation by suggesting to Sukarno that his claim to WNG 'was somewhat like France claiming the Isle of Wight'.

Casey queried Sukarno about his intentions towards the rest of New Guinea in the event that Indonesia did gain sovereignty over the west. Sukarno responded by stating that 'not only my hand – but my whole arm - my arm will be forfeit that that will never happen'.<sup>36</sup> When Casey identified the attitude of the Australian people as represented in the press, Sukarno suggested that 'the Australian people needed educating on this subject'. When Sukarno highlighted the degree of dissent in Indonesia, Casey expressed the conviction that Sukarno himself was, in effect, Indonesian public opinion in that when he 'raised the cry of WNG, everyone cheered'. On the other hand, Casey noted that when Sukarno was silent on the issue for any period of time the issue lapsed. Casey then tentatively encouraged Sukarno to shelve the issue, suggesting that, if Sukarno were to tell his nation that they had to move gradually due to the size of the task already facing them, the public would accept this and be content to wait for 'a number of years'. Despite Casey's urging, Sukarno argued that any Indonesian Government that excised the issue of WNG from its policy platform would be in jeopardy.

This example again highlights the differences in approach of Casey and Spender in that Casey continued to subscribe to the view that Dutch retention of WNG was only a short term prospect. Spender clearly believed that if the Dutch were given the necessary support they would be capable of holding WNG for a considerable period, while Casey placed a tighter time-limit on the issue, believing that eventually public opinion and circumstances would alter sufficiently to allow the Dutch to relinquish their hold on the territory. Spender, judging by his remarks in his earlier letter, appears to have looked upon the Indonesians with a large degree of contempt and suspicion which led him to try to ensure that Australia could keep them at arms' length by maintaining Dutch involvement in WNG. Casey on the other hand appears

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<sup>36</sup> Ibid.

to have had an amiable and amenable relationship with Sukarno and the Indonesian hierarchy which may have led him to believe that, with sufficient nurturing, he could navigate his way through the crisis without adversely affecting relations. There is little doubt that Casey favoured Dutch retention of WNG; however he did not want continued Dutch presence to come at the price of fracturing Australia's still embryonic relationship with Indonesia. Again, Casey's more diverse experience during the war years clearly set him apart from his colleagues such as Spender. Spender had spent the war in Australia, most notably as Minister for the Army, which dictated that his perception of New Guinea was infinitely linked to its importance to Australia's security. Casey was less bound by this notion and was equally concerned with the need to nurture the relationship between Australia and its nearest Asian neighbour. It is this attempt to understand and negotiate with Australia's northern neighbours, rather than being confrontational, which set Casey apart from a number of his contemporaries.

However, it is also evident from the meeting with Sukarno that Casey had yet to fully comprehend the Indonesian position in regard to WNG. Casey clearly believed that the Indonesians could be reasoned with on the matter and that they could be induced to either ignore the issue or, at least, set it aside. As was detailed earlier, Casey underestimated the level of importance placed upon the issue within Indonesia. As early as 1950, Sukarno had made the claim that he would resign by 1951 if Indonesia did not gain control of WNG.<sup>37</sup> Casey's comment that Indonesia's claim to WNG was akin to France claiming the Isle of Wight clearly illustrates the degree to which Casey misread the Indonesian psyche. Casey was incapable of seeing that his arguments against the Indonesian position cut both ways. For instance, his insistence that WNG was of little fiscal value to Indonesia could also be used against the Dutch, thus begging the question as to why a foreign power would wish to stay in the region if it was worthless. Furthermore, the Australian belief that WNG needed to be kept in Dutch hands so as to maintain security was clearly at odds with Indonesia's conception of security, whereby it saw the continued presence of a foreign power on its doorstep. Surely Casey should have been able to comprehend that the continued presence of the Dutch would be viewed as a threat to Indonesia. Although Sukarno's

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<sup>37</sup> Walter Crocker, who would become Australia's Ambassador to Indonesia, made reference to this threat by Sukarno in a despatch to Casey, 1 August 1955. NAA, M2576, 39, p. 9.

description of a ‘pistol pointed at the heart of Indonesia’ may have been overly dramatic, surely Casey should have better understood the Indonesian position. Although Cochran was influenced by America’s own needs, he clearly had a better understanding of the situation than Casey at this point, realising the political gravity of the dispute within Indonesia. While Casey was making significant efforts to conduct more open and friendly relations with Indonesia, his grasp of Indonesian politics was at this point lacking, if not naive, and was still in need of considerable refining.

*Maintaining ‘cold storage’*

Upon arriving back in Australia, Casey responded to Spender’s appeals to overtly support the Dutch by suggesting that little could be achieved before the Dutch elections.<sup>38</sup> Casey concurred with Spender’s idea of exploring ways to strengthen ties between WNG and Australia’s territory in the East. Casey also agreed with the idea of obtaining a reassurance of the UK’s position from Eden. Subsequently, Casey wrote to Eden on 7 May with the implicit intention of making sure that ‘New Guinea is kept indefinitely in cold storage’.<sup>39</sup> Casey noted that his meeting with Sukarno had been positively received in both the Australian and Indonesian press, and that, for the time being, ‘the issue seems to be quiescent’. Despite this, Casey implored Eden to renew his efforts to convince Acheson and the State Department to take a more positive attitude on the subject.<sup>40</sup> Casey was particularly keen to subvert Cochran’s advice to the State Department, which he was convinced was weighted heavily in favour of the Indonesians. Although not as forthright as Spender, Casey did raise the prospect of Australian armed intervention in the dispute. He suggested that, while it was unlikely that Australia would use force to resist an Indonesian attempt to gain sovereignty over WNG, this occurrence could cause ‘almost militant antagonism’ in Australia against the Government of Indonesia.<sup>41</sup> Casey was therefore unequivocal in his belief that efforts to defer the issue should continue. In response to Casey’s overture, Eden promised to raise the issue with Acheson in an upcoming meeting with Secretary of State in Paris.<sup>42</sup> Eden would later inform Casey that Acheson fully agreed with the

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<sup>38</sup> Letter from Casey to Spender, 24 April 1952. NAA, A10299, D10.

<sup>39</sup> Letter from Casey to Eden, 7 May 1952. NAA, A10299, D10, p. 1.

<sup>40</sup> *Ibid*, p. 2.

<sup>41</sup> *Ibid*, p. 3.

<sup>42</sup> Letter from Eden to Casey, 20 May 1952. NAA, A10299, D10.

continuance of the 'cold storage' policy by all concerned parties.<sup>43</sup> Eden went so far as to suggest that the Indonesians themselves, as represented by the UK Ambassador Subandrio, agreed with efforts to shelve the issue. It appears that, at least for the present, Casey's attempts to keep the issue off the agenda were succeeding.

Parliamentary statements made by Casey illustrate his dual efforts to prevent 'militant antagonism' from taking hold in Australia, while sustaining the policy of 'cold storage'. On 29 May, Casey's attention was brought to a statement, attributed to the Indonesian Minister for Information, which asserted that Australia's attitude to Indonesia's claim over Dutch New Guinea would weaken over time.<sup>44</sup> Casey's response was to welcome the 'moderate tone' of the Minister's remark, while expressing the hope that this moderate tone could be adopted by both Indonesia and Australia in regard to the issue. Casey suggested that 'a period of calm' was required in respect of the WNG problem. Casey argued that the more the issue was raised, the more people felt compelled to take sides which he believed was not conducive to finding a solution to the problem. Casey therefore determined that he should make no further comment about the Indonesian Minister's remark so as not to detract from the calming nature of the statement. In this way Casey sought to avoid igniting discussion of the issue by making no comment which might antagonise the Indonesian Government or give the issue undue publicity. It is questionable whether Spender would have been able to demonstrate comparable restraint in the face of such a statement. The State Department continued to be optimistic that the issue could be avoided, with Acheson telling Casey at the ANZUS Council meeting on 6 August that the issue would be kept on ice.<sup>45</sup> Casey's efforts therefore continued to bear fruit.

*Like a dog on a bone: Casey's proposal to strengthen ties between Papua and WNG, 1953.*

Despite the successful continuance of 'cold storage', Casey was conscious of the difficulties posed by maintaining support for Dutch control of WNG. After the Dutch elections, in which an even more determined administration was installed, Casey noted that opinion still seemed to be divided in Holland on the subject and he was

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<sup>43</sup> Letter from Eden to Casey, 24 June 1952. NAA, A10299, D10.

<sup>44</sup> CPD, 29 May 1952, p. 2514.

<sup>45</sup> Notes of ANZUS Council meeting, 6 August 1952. *FRUS, 1952-54*, vol. XII, East Asia and the Pacific, part 1, p. 193

concerned that the Dutch were not sufficiently conscious of the amount of financial and developmental input that would be required to retain WNG.<sup>46</sup> Casey's understanding of the enormity of the task required to develop WNG demonstrates that his appreciation of the issue had developed in the period since his discussion with Sukarno. Casey was particularly aware that there was a strong sensitivity in the UN on questions of racialism, anti-colonialism and self-determination and that if the subject was raised in concrete form that the Indonesians would have considerable support. Casey believed that if the Indonesians succeeded in raising the issue in the UN, the anti-colonial bloc would 'seize on this like a dog on a bone'.<sup>47</sup> In light of these concerns, Casey felt that the time was fast approaching when Australia would have to make a firm commitment on the issue. He believed that if Australia was to maintain its support of the Dutch then it would have to be prepared to make a physical contribution to the development of WNG.<sup>48</sup> If Australia was not prepared to take this action, Casey could foresee the Dutch being forced to compromise with Indonesia due to external pressures and circumstances. This clearly demonstrates Casey's significant appreciation of the international political climate.

Consequently, Casey raised the issue in cabinet, suggesting that Australia should inform the Dutch Government that it was prepared to collaborate with them at an administrative level in the conducting of the affairs of their respective territories in New Guinea.<sup>49</sup> Casey proposed that the South Pacific Commission's role of promoting research into the economic, social and health development of native communities would provide the perfect avenue for Australia to encourage closer ties between the two territories. It was also suggested that administrative officers of the two territories should make periodic visits to their counterparts in an effort to gain a greater exchange of ideas on how to develop the territories. Furthermore it was proposed that an Australian Consulate could be established in WNG, that Australian air services in Papua could be extended to incorporate WNG, and that WNG could be included on the schedules of Australian shipping companies. Throughout ensuing months Casey set about achieving his goal of increasing cooperation between the Australian and Dutch territories in New Guinea. During July 1953, during a visit to

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<sup>46</sup> Casey diaries, 5 December 1952, NAA, M1153, 49A.

<sup>47</sup> Letter from Casey to Kevin, 15 January 1953. NAA, A10299, D10.

<sup>48</sup> Casey diaries, 5 December 1952. NAA, M1153, 49A.

<sup>49</sup> Submission to Cabinet by Casey dated 19 January 1953. NAA, A10299, D10.

Canberra by Dutch Foreign Minister Joseph Luns, the Australian Government committed to increasing cooperation between East and WNG on matters such as quarantine, health and labour. While political and defence matters were overlooked, it is still apparent that, although Casey was attempting to maintain cordial relations with the Indonesians, Spender's overtures to the Minister had not gone unheard. Casey clearly still endorsed Dutch retention of WNG and he was prepared to propose action that would greatly increase Australia's support of the Dutch regime.

*Plaster on a boil: Casey abandons 'cold storage'.*

Casey's quest to promote the retention of the Dutch in WNG led him to seek the support of the newly installed Eisenhower Administration. Casey sought to improve the new administration's appreciation of the WNG dispute during his visit to the State Department in September 1953. On 8 September Casey spoke to Dulles, Bedell Smith and Mathews, the policy co-ordinator in the State Department, about the issue.<sup>50</sup> Casey highlighted the instability of the Indonesian Government and he believed that he received a receptive and sympathetic attitude from those present, with Mathews particularly amenable. In a meeting with Allen Dulles of the Central Intelligence Agency (CIA), Casey found strong support for the continuance of Dutch sovereignty over WNG, with Dulles suggesting that Casey tell the State Department to seek the CIA's point of view on the subject.<sup>51</sup> In a later meeting at the State Department with, among others, Mathews and Walter Robertson, Casey took his case a step further by openly suggesting that the US should, in due course, tell the Indonesians that the US recognised the sovereignty of the Netherlands over WNG.<sup>52</sup> Casey believed that the lack of counter arguments from those present constituted a sympathetic reception to his proposal. Casey then spoke to Admiral Radford, the Chairman of the Joint Chiefs of Staff, at the Pentagon, and again received positive endorsement of the continuance of Dutch sovereignty.<sup>53</sup> Radford also approved of Casey informing the State Department to seek advice from the Joint Chiefs on the matter. Casey was clearly insistent in his efforts to get the US to place the issue of WNG on its agenda, which in turn demonstrates that his adherence to the policy of 'cold storage' had ceased, for the time being.

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<sup>50</sup> Casey diaries, 8 September 1953. NAA, M1153, 49A.

<sup>51</sup> Casey diaries, 11 September 1953. NAA, M1153, 49A.

<sup>52</sup> Casey diaries, 11 September 1953. NAA, M1153, 49A.

<sup>53</sup> Casey diaries, 12 September 1953. NAA, M1153, 49A.

Casey continued to promote the Dutch cause during his visit to the Foreign Office in October. On 5 October Casey visited Eden and informed him of his discussions in the State Department, expressing the hope that the UK would adopt the policy that he had proposed to the US.<sup>54</sup> Casey then spoke to Denis Allen, the Assistant Under Secretary, and formally asked that the Foreign Office tell the Indonesians, at the appropriate moment, that the UK recognised Dutch sovereignty over WNG. Casey explained to both Eden and Allen that the Menzies Government would be unlikely to survive if Indonesia gained control of WNG.<sup>55</sup> Casey's statement illuminates the tactics used by the Australian Government to convince their allies to support their policies. At the time, it could be argued that Casey's statement was overblown. Yet this method of appeal, whereby a member of the Menzies Government would threaten the downfall of that government, became a common tactic throughout the decade, regardless of the political circumstances within Australia. Casey and his colleagues clearly hoped that the prospect of a return to office of the Labor Party, with Evatt as Prime Minister, would sufficiently frighten their contemporaries in the UK and the US into adopting Australia's approach to particular issues.

Casey received the response he sought, with Allen informing him that the Foreign Office supported Australia's position and he made it clear that the UK Ambassador in Jakarta had been instructed to tell the Indonesian authorities that the UK did not favour a change in the sovereignty of WNG. However, Allen endorsed attempts to avoid the issue by suggesting that this would only happen if the Indonesians raised the question with the Ambassador. Allen believed that there was nothing to be gained from raising the issue unless 'it became alive again'. Therefore, although Casey had attempted to place the issue more prominently on the agenda, the UK clearly wished to defer it. Yet Casey's understanding of the situation had altered to the point that he no longer saw the viability of attempts to ignore the issue. Casey told Malcolm MacDonald, the British Commissioner-General in Southeast Asia, on 31 October that the policy of keeping the WNG dispute on ice was 'like putting plaster on a boil – it didn't cure the boil which might burst at some inconvenient moment'.<sup>56</sup> Casey had

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<sup>54</sup> Casey diaries, 5 October 1953. NAA, M1153, 49A.

<sup>55</sup> Notes of discussion between Allen and Casey, compiled by C.T. Moodie, 5 October 1953. NAA, A10299, D10.

<sup>56</sup> Casey diaries, 31 October 1953. NAA, M1153, 49A.

evidently accepted Spender's argument that the 'cold storage' policy had run its course.

Casey's growing public support of the Dutch was further illustrated in Parliament on 18 August. Casey stated that the Australian Government would resist the matter being included on the UN General Assembly's agenda and, more pointedly, Casey stated that if the issue was raised again Australia would 'with force but, I hope, without heat, express our view of it'. However, Casey was quick to point out that he intended no disrespect towards the Indonesians. He simply pointed to the fact that the Indonesian Government faced more pressing issues than the issue of WNG. While Casey's support of the Dutch position was becoming more pronounced, he still sought to prevent any harm being inflicted upon Australia's relations with Indonesia. In early September, on his way to the South East Asian Treaty Organisation (SEATO) Conference in Manila, Casey stopped in Jakarta and took the opportunity to speak briefly to the Indonesian Minister for Foreign Affairs, Sunario.<sup>57</sup> Casey told Sunario that he wouldn't 'sharpen' the problem but that the Australian point of view was well known to the Indonesians. Casey referred to his recently published book, *Friends and Neighbours*, in which he stated that 'neighbours ought to be friends'. Casey pointed to Australia's contribution to the Colombo Plan as being evidence that friendly relations between the two nations were a priority of the Australian Government. Casey was clearly keen to placate the Indonesians in the prelude to the upcoming UN Assembly.

Casey's measured approach to the issue was further revealed in a message he sent to Menzies on the same day as his parliamentary statement. Casey told Menzies that 'Australia is more directly concerned with the state of affairs in Indonesia than any other country', and he wished to 'pay a good deal more attention' to the region.<sup>58</sup> While Casey acknowledged that Australia was making some progress in increasing interaction with Indonesia through the auspices of the Colombo Plan, he felt that efforts should be made to 'intensify our contacts with them and our knowledge of them'. To this end, Casey hoped that Walter Crocker would agree to take up the

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<sup>57</sup> Casey diaries, 3 September 1954. NAA, M1153, 49B.

<sup>58</sup> Letter from Casey to Menzies, 18 August 1954. NAA, M3401, 21, p. 2.

diplomatic post at Djakarta.<sup>59</sup> As will be shown, Crocker's subsequent acceptance of Casey's offer would prove to be integral to the increased importance Casey placed on relations between Australia and Indonesia. Although Casey was publicly continuing to promote the Dutch cause in WNG, privately his interest in establishing closer ties with Indonesia was becoming progressively more apparent.

*On the Agenda: The United Nations General Assembly, September 1954.*

At the conclusion of the conference in Manila, Casey travelled to Washington, on his way to the UN General Assembly, set to commence in New York on 24 September. Casey again visited the State Department with the intention of ensuring that he had US support for the Australian, and Dutch, cause. On September 17, he spoke to Bedell Smith, receiving significant reassurance from the Deputy Secretary of State, who informed him that the US 'should come down more positively on the side of the Dutch' in regard to WNG. Bedell Smith made it clear that this was a personal view but he agreed to talk to Dulles about the situation. Casey had spoken to Dulles himself in Manila and had received similar support, with the Secretary of State voicing his concern at the deteriorating internal situation in Indonesia, which strengthened the argument in favour of Dutch retention of WNG. On the day before the Assembly commenced, Casey received word from the New Zealand delegation that it was under instructions to abstain from voting on, or speaking in the debate on, the issue of WNG.<sup>60</sup> Casey made an urgent appeal to New Zealand's Minister for External Affairs, Clifton Webb, but was unable to persuade him to drop his 'high minded' attitude. It therefore seemed that, although Casey had received support from the US State Department, his efforts to gain support for the Dutch position, and prevent the issue from being placed on the Assembly's agenda, were not entirely proving to be successful.

The following day Indonesia submitted its recommendation to the General Assembly that the issue of WNG be placed on the agenda. Casey responded to this by addressing his reservations to the Assembly with 'all the force at my command'.<sup>61</sup> Casey's opposition to Indonesia's recommendation was based on his understanding that the

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<sup>59</sup> Ibid, p. 2

<sup>60</sup> Casey diaries, 23 September 1954. NAA, M1153, 49B.

<sup>61</sup> For a fully detailed account of Casey's speech to the General Assembly see his diary entry of 24 September 1954. NAA, M1153, 49B.

Assembly would be acting in contravention of the United Nations Charter if it addressed the issue. Casey argued that Dutch sovereignty over WNG was recognised by Australia and, he surmised, the majority of the nations attending the Assembly. Casey believed that there would be only one result if the UN chose to address the issue, the UN would 'saddle itself' with an issue that could reach no satisfactory conclusion for the parties involved. He simply foresaw greater friction between the Netherlands, Indonesia and Australia. Casey questioned Indonesia's timing, pointing to the efforts of a number of countries, including Australia, to aid Indonesia in improving its economic and social conditions. He believed that the raising of this issue in the Assembly would simply exacerbate the already existing tension in the region. With these considerations in mind, Casey implored his fellow delegates to vote against the inclusion of the WNG issue on the Agenda.

Despite Casey's best efforts, the subsequent vote was heavily in favour of Indonesia's recommendation, with thirty-nine countries in favour, twelve against and nine abstaining.<sup>62</sup> Casey was not entirely displeased with the situation, seeing the ensuing debate as an opportunity for Australia to further promote its viewpoint. Interestingly, Casey's appeal had an impact in some unexpected quarters. Pakistan's Foreign Minister, Zafrulla Khan, told Casey that, although he would be prevented from supporting Australia, privately he regarded the Indonesian claim over WNG as 'oriental imperialism'.<sup>63</sup> However, the strength of Casey's speech was not appreciated by the Indonesian delegation led by Foreign Minister Sunario, who was 'taken aback' by Casey's tone.<sup>64</sup> Sunario questioned Australia's motives, arguing that Indonesia had no dispute with Australia. Sunario understood Australia's interest in the issue but not the vehemence of its response to the Indonesian proposal. In response to Sunario's rejection of his speech, Casey released a statement in which he pointed out that the Australian delegation had only made its thoughts known due to Indonesia raising the issue.<sup>65</sup> Casey was careful to explain that Australia did not wish the matter to affect relations between Australia and Indonesia and he suggested that if Indonesia wanted to prevent adverse comment on the issue that it should refrain from raising it. Casey therefore again sought the sanctuary of 'cold storage'. Casey was eager to emphasise

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<sup>62</sup> Ibid

<sup>63</sup> Casey diaries, 27 September 1954. NAA, M1153, 49B.

<sup>64</sup> Casey diaries, 30 September 1954. NAA, M1153, 49B.

<sup>65</sup> Ibid

that the Australian opinion was given without animosity and he hoped that the disagreement over WNG would not be allowed to 'disturb our otherwise friendly relations'. It is evident that, although Casey had been forced to openly voice his government's opposition to the Indonesian claim, he still sought to do so without adversely harming relations with Indonesia. Rather than stridently coming out in support of the Dutch, as Spender no doubt would have, Casey again attempted to defer discussion of the issue so as to protect Australia's tenuous relationship with Indonesia.

In the following days Casey and his team went into diplomatic damage control, attempting to prevent the Indonesians from getting their resolution through the General Assembly. On 1 October Casey again approached Zafrulla Khan. While Casey was unable to get Pakistan's support, Khan did promise that he would use his influence among Latin American and Arab-Asian nations. Casey urged him to work with Spender with the intention of at least gaining abstentions if he could not gain votes for the Dutch cause. Upon hearing a rumour that the Indonesian campaign was faltering in the face of opposition, Casey cabled the Embassy in Jakarta and urged them to appeal confidentially to the Indonesians to drop the issue due to the danger of the debate becoming heated. In addition to this, on 10 October, Casey met with Sunario in an attempt to get the Indonesians to drop the matter so as avoid bitterness and antagonism being built up on both sides. Casey argued that the votes Indonesia might gain from Latin American nations would not compensate for the loss of US and UK friendship that would result from the debate. While Casey assumed that it was too late to withdraw, he urged Sunario to at least seek a compromise with the Dutch. On 15 October Tange approached both the Chilean *Charge d'Affaires*, and Chinese Minister, Dr. Chen, in an effort to convince them not to support the Indonesian proposal.<sup>66</sup> Both representatives promised to raise the Australian Government's reservations with their respective governments.

At an ANZUS meeting in Washington on 11 October, Casey again raised the threat that the issue posed to the Australian Government and claimed that the deteriorating situation in Indonesia compelled the US to avoid any move in the General Assembly

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<sup>66</sup> See record of conversation with Senor Domeyko, 15 October 1954 and record of conversation with Dr. Chen, 15 October 1954. NAA, A1838, 551/13/11, Part 1.

which could result in the Dutch having to relinquish sovereignty over WNG.<sup>67</sup> Spender took the appeal a step further by actually suggesting how the US could tackle the matter.<sup>68</sup> Spender argued that the US should highlight the ignorance of many UN members on the issue; that it should be emphasised that any action taken could jeopardise the inhabitants of WNG's right of self-determination; and that it would be inconsistent with the UN charter for action to be taken without first assessing the will of the inhabitants of WNG. It is therefore clear that Australia's External Affairs Department was making a significant attempt to avoid the issue of WNG being raised. Casey emphasised the efforts of his department in Parliament on 2 November, noting his conversations with Dulles, Sunario and the UK Minister of State of the Foreign Office, Selwyn Lloyd.<sup>69</sup> While Casey presented Australia's case as unequivocally against the Indonesian proposal, he was again careful to ensure that Australia's position would not unduly affect relations with Indonesia, stating that Australia's opinion was offered 'without heat or animosity'. This again makes it clear that, although Casey was fully aware of the Australian electorate's hostility toward Indonesia on this issue, he would not make statements that might adversely affect relations between the two countries.

Spender, on the other hand, chose to make a speech on 25 November, directly after the Indonesian representative, that was described by K.C.O. Shann as being 'pretty fierce'.<sup>70</sup> The department had decided that it would be advisable not to take 'too much of a lead' on the issue, even suggesting that Australia should enter the debate in the later stages, well after the Indonesians and preferably following speakers who were more sympathetic to the Australian position. Despite this, Spender had entered the debate immediately after the Indonesians, and had expressed Australia's 'aggressive interest' in the subject. Furthermore, he referred to Australia's security concerns which, until this point, had only been voiced in private, as was shown in Casey's correspondence with Hoover. Shann believed that Spender's statement could seriously affect the maintenance of good relations with the Indonesians and he was unsure of

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<sup>67</sup> Minutes of ANZUS Council meeting, 11 October 1954. *FRUS*, vol. XII, op cit, p. 941.

<sup>68</sup> For a detailed report of Spender's discussion in the ANZUS Council meeting see Casey's diary entry for 11 October 1954. NAA, M1153, 49B.

<sup>69</sup> Casey's address to Parliament about the WNG issue can be found in CPD, 2 November 1954, pp. 2501-2504

<sup>70</sup> Letter from Shann to Casey, 25 November 1954. NAA, A1838, 3036/6/1A, p. 1.

what benefits could have been gained from making such a strong statement.<sup>71</sup> Shann was particularly wary of making statements which suggested that the taking over of a territory by a nation regarded as ‘friendly’ could be deemed to constitute a threat to a country’s security.

Spender’s outspoken nature was becoming a matter of concern within the department. During the early stages of the Assembly, on 1 October, Tange wrote to Casey to discuss how the Australian delegation would respond to discussion of WNG. Tange was concerned that Casey would have left New York by the time the subject was raised and would not be able to handle the issue personally.<sup>72</sup> Tange saw Australia’s objective as keeping the majority of UN members voting in favour of the Indonesian resolution ‘as small as possible’, while seeking to ‘avoid the distrust between Australia and Indonesia being aggravated any more than necessary’. Although Tange did not identify Spender by name he made it clear that Casey was the best option to achieve these objectives; he stated that

I feel in my bones that these objectives are going to be best served by moderate, judicious, and courteous argument and presentation of our views in the Committee – all of which points to it being done by you and not someone else.<sup>73</sup>

Tange emphasised to Casey that, should the Minister depart New York before the debate commenced, he should ‘say a firm word to the delegation, before you leave, about the need for temperance in the way we attack the Indonesians’. As has been shown, Tange’s fear that the Australian delegation, led by Spender, would take too vocal a role in the debate was well founded. While demonstrating the degree to which Spender was still attempting to exert his influence over Australia’s policy on WNG, this example also provides an initial indication of the growing shift towards moderation in the department’s policy on WNG and the role played in this by the new Secretary, Tange.

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<sup>71</sup> Ibid, p. 2.

<sup>72</sup> Letter from Tange to Casey, 1 October 1954. NAA, M1129, TANGE/A.

<sup>73</sup> Ibid.

As has been shown, Casey constantly sought to dilute his criticism of Indonesia by offering his support to the Dutch ‘without heat or animosity’. Spender, on the other hand, had constantly made it clear that he wished to strengthen Australia’s support of the Dutch and that this should be done publicly. Spender evidently continued to believe that he was in a position of authority in the department. Despite the stated position of Casey, who was now his superior, Spender had chosen to act on his own advice. Shann, who was involved in the organisation of Australia’s delegation at the Canberra end, expressed frustration at ‘dealing with Percy at long distance’, and indicated the difficulties faced by the department in controlling Spender when he stated that Spender’s ‘capacity for interpreting instructions to please himself is an eye-opener’.<sup>74</sup> Spender’s decision to ignore the advice of the department further illuminates the difficulties Casey faced in implementing a policy which could support the Dutch while causing as little harm as possible to Australia’s relations with Indonesia. Shann recommended that Casey should warn Spender to adopt a more conciliatory tone, even if the damage had most likely already been done. Shann suggested Casey refer to previous messages in which he had expressed the undesirability of being seen as ‘leading the opposition’ and, more pointedly, that Australia should not place itself in a position of ‘merely attacking the Indonesians with whom we have to live’.<sup>75</sup> Casey therefore sought to restore his own non-confrontational policy in an effort to limit any damage that might have been done to Australia’s relations with Indonesia.

On 11 December, Casey and the Australian Government gained the result that they had strived for, with the Indonesians failing to obtain the necessary two thirds majority required by the UN Plenary. Although Casey considered this a ‘happy’ outcome, after Spender’s previous indiscretion Casey urged him not to ‘play up’ Australia’s reaction to the result.<sup>76</sup> Casey confined himself to delivering a measured statement that was ‘rather flat and non-provocative’.<sup>77</sup> Casey wished to prevent the Indonesians from having ‘any further peg on which to hang any further outbreak of resentful statements’. While Casey could not foresee the Indonesians broaching the

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<sup>74</sup> Letter from K.C.O. Shann to Keith Officer, 8 December 1954. NLA, MS2629/1/1970.

<sup>75</sup> *Ibid*, p. 3.

<sup>76</sup> Casey diaries, 11 December 1954. NAA, M1153, 49B.

<sup>77</sup> Letter from Casey to J.M. Douglas Pringle, Editor of the *Sydney Morning Herald*, 14 December 1954. NAA, A10299, D10.

issue in the immediate aftermath of the UN defeat, he was eager to impress upon the US Government, through Hoover, and the UK Government, through Stephen Holmes, the UK High Commissioner to Australia, the need to return the issue to 'cold storage'.<sup>78</sup> Casey felt that previous efforts to encourage the UK and US to employ 'cold storage' had been largely unsuccessful, and he hoped that, in future, he could count upon 'firm and unwavering support' for Australia's efforts to 'damp down' the question of WNG. In the event that the Indonesians did attempt to raise the issue again, he anticipated that the UK, US, Dutch and Australian Governments could 'bring all the discreet influence that we could to bear on them to drop it'. Thus, despite the issue becoming internationally recognised at the UN Assembly, Casey continued to cling to the hope that it could be returned to 'cold storage'. As 1954 drew to a close, it appeared that after a period of intense activity on the subject, every effort would be made to ignore the issue in the immediate future.

Yet Casey was becoming increasingly frustrated by the Indonesians' continued intransigence towards Australia. In February 1955 Casey made a statement while he was in Singapore in which asserted that Australia had 'shown its bona fides' in regard to nurturing a cordial relationship with Indonesia, but that 'this sort of thing is two way traffic'.<sup>79</sup> Casey believed Australia had 'bent over backwards' to co-operate with Indonesia and that every effort had been made 'in practical form' to engender good relations between the two countries. However, he could not recollect any representative of the Indonesian Government responding in kind. Casey noted that this situation would 'not be allowed to affect our attitude towards Indonesia' but he emphasised that Australians 'were human beings' and as such liked to 'be assured now and again that our advances were appreciated and reciprocated'. Casey had by now 'reached the end of [his] patience' with Indonesia.<sup>80</sup> It could undoubtedly be argued that Indonesia's continued refusal to respond to Australia's positive advances had been significantly affected by Australia's vociferous display at the previous UN Assembly. The continued impasse over the status of WNG was clearly frustrating Casey's efforts to improve Australia's relations with Indonesia and it was becoming

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<sup>78</sup> Letter from Casey to Plimsoll, 22 December 1954. NAA, A10299, D10.

<sup>79</sup> Casey included the text of his statement in Singapore in a letter he wrote to B.C. Hill, the Charges d'Affaires at the Australian Embassy in Bonn, on 4 April 1955. See the papers of Sir Peter Heydon, Australia's High Commissioner to India. NLA, MS3155/118, Box 14, Correspondence, Lord Casey.

<sup>80</sup> Ibid. This statement by Casey was made within the text of the letter to Hill and was not a part of the statement made in Singapore.

increasingly apparent that resolving this issue was a prerequisite to the restoration of amicable relations between the two countries.

*A sensitive plant: Alfred Stirling's response to the Dutch elections, May 1955.*

The holding of Dutch elections in May, with the prospect of a new government being less strident on the issue, placed further pressure on the External Affairs Department to ascertain how Australia should approach the issue in the future. On 17 May 1955, the existing Dutch Government fell, which prompted Alfred Stirling, Australia's representative at The Hague, to compile a memorandum assessing the Dutch attitude towards WNG.<sup>81</sup> Stirling was concerned that the incoming government might not be as inclined to retain WNG. Stirling noted that there was 'little crusading spirit' on the issue of WNG in the greater population, but he was confident that the Dutch 'victory' at the UN had strengthened the case for retention. He described the policy for retention as 'a sensitive plant with not very good soil' that had 'grown remarkably well' in recent times due to the efforts of the previous Dutch Administration and its Australian counterparts.<sup>82</sup> Stirling believed that, given a positive international environment, the fruit would 'ripen'. Stirling concluded that Australia's best course of action would be to continue its efforts to encourage the US and the UK to support the Dutch in WNG while discouraging the Indonesians from making further claims. Furthermore, he felt that Australia should seek to gain support for its cause in Asia and South America, by arguing that the Indonesian claim over WNG was 'colonialism in reverse'. Stirling also reasoned that it was necessary to further strengthen the ties between the Australian and Dutch territories in New Guinea. If Stirling's sentiments are to be believed, it appeared that the External Affairs Department and the Australian Government would continue their efforts to maintain Dutch sovereignty over WNG for some time to come.

*Resting on Sand: Walter Crocker's interpretation of Australia's policy on WNG.*

Yet, Stirling's memorandum was not positively received by all members of the department. In particular Walter Crocker, Australia's Ambassador to Indonesia, was critical of certain aspects of Stirling's approach to the issue. Crocker had only just been appointed to the Indonesian post and, as will be shown, he became a driving

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<sup>81</sup> Stirling to Casey, 17 May 1955. NAA, A10299, W5.

<sup>82</sup> *Ibid*, p. 2.

force behind efforts to alter Australia's policy on the issue of WNG so that close relations with Indonesia could be fostered. Crocker was displeased that Stirling had chosen to treat Indonesia as 'almost entirely a potential enemy'.<sup>83</sup> Crocker believed that 'realism requires that we see Indonesia as our nearest neighbour and that we have a primary interest in making our Indonesian neighbour our friend'. He argued that there were parties in Indonesian politics that wanted to improve relations with Australia, but were unable to reconcile this with the need to oppose Australia's support of the Dutch in WNG. Crocker believed Australia needed to weigh the 'military importance' of keeping WNG out of Indonesian hands against the need to maintain friendly relations with Indonesia and the rest of Southeast Asia.

Crocker was particularly concerned that the foundation of Australian policy on WNG 'rests on sand', due to the fact that Dutch resolve to retain New Guinea was in fact wavering. Crocker identified Stirling's own memorandum, in which he constantly referred to the need to strengthen Dutch resolve and expressed concern about their determination, as evidence that the Dutch could not be relied upon to maintain their position on WNG. Crocker believed that Dutch business leaders in Indonesia were becoming increasingly open to the idea of a compromise between the two countries on the issue of WNG. Crocker questioned Stirling's belief that the US could be relied upon to provide long term support of the Dutch, and he dismissed Stirling's proposal that Australia should seek support from Asian and South American countries as 'unrealistic'.<sup>84</sup> In addition to this, he argued that the proposal to increase ties between the Australian and Dutch territories in New Guinea would be 'harmful if we consider good relations with Indonesia to be important'. Crocker's devotion to the idea that Australia must improve its ties with Indonesia led him to suggest that Australia reconsider its policy on WNG, and that efforts should be made to

...reappraise certain facts and certain approaches with a view to seeing whether we cannot harmonise with the true, as distinct from the imaginary, interests of Australia and of Indonesia.<sup>85</sup>

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<sup>83</sup> Crocker to Tange, 13 June 1955. NAA, A10299, W5.

<sup>84</sup> Ibid, p. 2.

<sup>85</sup> Ibid, p. 2.

Crocker clearly believed that Australia's present policy of supporting Dutch claims to WNG had no basis in reality. Despite this Crocker understood that no change to policy could be made in the immediate future, believing that more time would be required before he could present a viable alternative to the current policy.

*Taking the initiative: K.C.O Shann's report on the Bandung Conference, 11 May 1955.*

Crocker was not alone in his belief that Australia should reassess its policy towards WNG. The Afro-Asian Conference at Bandung in Indonesia and its apparent success had a profound effect on the thinking of many members of the External Affairs Department, particularly in regard to the WNG dispute. The Conference's final communiqué expressed support for the Indonesian position on WNG, stating that the removal of the Dutch would satisfy the Conference's requirement that colonialism in Asia should be abolished.<sup>86</sup> On 11 May, K.C.O Shann, an External Affairs officer acting as an observer at the Conference, compiled a report in which he claimed that there was 'no doubt' that the dispute over WNG had had a 'serious effect on the cordiality of the relationship' between Australia and Indonesia.<sup>87</sup> Shann noted that Sunario became 'very excitable' when the issue was raised and that although the Indonesian Minister was 'very anxious' to improve relations between Australia and Indonesia he was 'unable to get anywhere' in cabinet due to the degree of ill feeling on the issue of WNG.<sup>88</sup> In this context Shann argued that the continuance of good relations between Australia and Indonesia depended on resolving the WNG problem. He felt that it was increasingly necessary to determine whether maintaining Dutch sovereignty over WNG was more important to Australian security than conducting friendly relations with Indonesia. Moreover, the outcome of the Bandung Conference would encourage Indonesia to take the issue to the UN again and that Australia 'must play a major role' in the settlement of the issue in the interests of its own security. Australia should 'take the initiative' in suggesting to the Dutch to discuss the matter with Indonesia in order to avoid another confrontation at the UN. Shann foresaw the problem only worsening if the parties continued to 'maintain positions' rather than seeking solutions. Shann's report, combined with Crocker's opinions, illustrates that

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<sup>86</sup> See memo from Patrick Shaw dated 15 June 1955. NAA, A1838, 3036/6/1, part 16, p. 1.

<sup>87</sup> Report on the Bandung Conference compiled by K.C.O Shann on 11 May 1955. NAA, A10299, A3, p. 18.

<sup>88</sup> *Ibid*, p. 19.

support for a reassessment of Australia's policy towards WNG was growing within the department.

Yet Spender continued to oppose any softening of Australia's approach. On 23 May he wrote to Casey expressing his concern that Shann's proposal to encourage the Dutch to discuss the issue of WNG was 'a grave error'.<sup>89</sup> Spender noted that, after persistent effort by Australia, the Dutch were finally showing signs of taking a 'strong stand' on WNG and that action such as that proposed by Shann 'could and probably would' be interpreted as a diminution of resolve on the part of Australia. Spender wished to avoid undermining the newly apparent confidence and determination of the Dutch. Spender tempered his sentiments by suggesting that it may be possible 'at some future point in time' to seek a solution to the problem but he argued that there would need to be a 'substantial relaxation in the tense atmosphere presently prevailing in the area' before any such action could be contemplated. Thus Spender persisted in his efforts to prevent the department from taking any action that might moderate Australia's position on the issue of WNG.

However, Spender was fighting a losing battle; at least at a departmental level, as Casey and his officers were becoming determined to resolve the conflict. On 14 June Casey approached Tange about the feasibility of settling the dispute in the International Court. Casey proposed speaking to the Attorney-General, J.A. Spicer, to determine how the Court might approach the matter.<sup>90</sup> Casey supported this plan only if the Court was likely to find in favour of the Dutch; he also envisaged the Indonesians refusing any request to have the issue settled in this manner. However, he believed that if the Dutch or Australians proposed to place the issue before the Court and the Indonesians refused, that 'we would be one up' when it came to any consideration of the issue at the UN. On 21 June, Casey then sent a letter to Spicer in London requesting his and the Foreign Office's opinion as to how the International Court of Justice might approach the issue of WNG if it was brought before it.<sup>91</sup> That Casey and the department were seeking to find a solution to the problem was illustrated in his statement that 'we've had wet towels round our heads trying to think

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<sup>89</sup> Letter from Spender to Casey, 23 May 1955. NAA, A1838, 3036/6/1, part 16, p. 1.

<sup>90</sup> Letter from Casey to Tange, 14 June 1955. NAA, A1838, 3036/6/1, part 16.

<sup>91</sup> Letter from Casey to Spicer, 21 June 1955. NAA, A1838, 3036/6/1, part 16, p. 1.

how to tackle it for the future'. Although Casey clearly saw this proposal as a means of gaining the upper hand on the Indonesians, it is still evident that he was attempting to find new ways of approaching the issue, rather than maintaining the rigid position which Australia had presented to the previous UN Assembly. While Spender opposed Indonesian claims to WNG, Casey favoured softening Australia's approach for pragmatic reasons, as a means of taking the heat out of the issue.

The shift towards a re-evaluation of Australia's policy within the department was embodied by the position of Patrick Shaw, the Assistant Secretary of the United Nations Branch of the department. Shaw noted that Australia's 'strenuous opposition' had been largely responsible for the defeat of the Indonesian resolution at the previous year's UN Assembly.<sup>92</sup> Rather than applauding Australia's success, Shaw considered that Australia might be 'ill advised' to adopt the same approach at the coming Assembly. The sources of Shaw's caution were twofold: the success of the Conference in Bandung would have increased support for the Indonesians and, Australia's strong position at the previous Assembly had prompted resentment in Indonesia that would only be increased if Australia again chose to lead opposition against Indonesia. Shaw agreed with Shann's assessment that the problem was only likely to worsen if the involved parties continued to maintain positions rather than seek solutions.<sup>93</sup> Shaw was not necessarily recommending a complete change in Australia's policy; he simply sought to find a way to avoid public debate which would 'provoke' the Indonesians and damage Australia's status in Indonesia.<sup>94</sup>

Shaw proposed two solutions to the problem. First, that Australia could attempt to 'induce' the Dutch to resume negotiations with Indonesia.<sup>95</sup> Second, that Australia should not take any 'prominent' part in opposing the Indonesians in the General Assembly. Shaw realised it would be difficult to convince the Dutch of the legitimacy of either of these courses of action. However, he believed that the Dutch could be convinced that Australia's proposals simply constituted a change in tactics rather than a complete alteration of policy. Shaw was not entirely convinced that pushing for a resumption of negotiations would succeed, believing that the Dutch would be unlikely

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<sup>92</sup> Memo from Shaw, 15 June 1955. NAA, A1838, 3036/6/1, part 16, p. 1.

<sup>93</sup> *Ibid*, p. 1-2.

<sup>94</sup> *Ibid*, p. 2.

<sup>95</sup> *Ibid*, p. 2.

to respond positively to any such suggestion and might look unkindly upon Australia for raising the prospect. Furthermore, he was concerned that the Indonesians might interpret a call for negotiation as a victory for their foreign affairs policy. He therefore contended that the most practical course of action for Australia would be to take a far less pronounced role in any debate that might arise at the United Nations. While not recommending a complete alteration of Australia's policy towards WNG, Shaw was clearly advocating an approach which was more weighted in favour of maintaining friendly relations with Indonesia. He argued that the most important consideration for Australia was to assess 'the strategic importance of WNG as compared with the strategic importance of Indonesia'.<sup>96</sup> Shaw believed that a more flexible approach was required and that Australia's policy should be kept under constant review.

*'The opportunity that history has given us': Tange's Policy Critique, 22 June 1955.*

Indicative of the importance attributed by the department to resolving the WNG dispute was the decision to approach cabinet about the issue. In late June discussion within the department centred on how the issue should be raised in cabinet. Tange was acutely aware of the risk the unresolved dispute posed to Australia's relations with Indonesia and the greater Asian community. In his 'Policy Critique', which was produced only days before Casey would take the issue to cabinet; Tange expressed anxiety that Australia's position on 'colonial' questions at the UN was too 'rigid'.<sup>97</sup> Tange claimed that 'interests in Australia' would urge the government to be 'uncompromising' on the matter, but he argued that Australia's 'external interest is to reject these more extravagant advocates'. In a telling indication of his stance on the issue, Tange declared that 'Australia's great opportunity in Asia lies in our own historical break away from colonialism'. Furthermore, and even more incisively, he asserted that by supporting colonialism in the UN, 'we [Australia] throw away the opportunity that history has given us and tarnish our credentials among Asians'. Tange believed that Australia's first concern should not be whether its position concurred with the other 'European powers', but instead should be if the initiatives proposed will be 'alright for us in Papua and New Guinea'. Thus Tange made it inherently clear that Australia should adopt an independent policy on the dispute that placed the best interests of Australia first. The tone of Tange's sentiments shows that

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<sup>96</sup> Ibid, p. 3.

<sup>97</sup> See Tange's 'Policy Critique', dated 22 June 1955, op cit, p. 7.

the Secretary, and his department, was becoming much less inclined to blindly support the Dutch cause in WNG to the detriment of Australia's relations with Indonesia, and the rest of Asia. Ultimately, if Tange's advice was accepted by Casey and the cabinet, Australia's policy towards the WNG dispute and by association its policy towards Asia as a whole, would be significantly altered.

In addition to Tange's statements, T.K. Critchley of the United Nations Branch wrote to Patrick Shaw with his assessment of how cabinet should be approached on the subject.<sup>98</sup> Critchley noted that James Plimsoll had raised several questions which should be put to cabinet. Critchley believed that approaching cabinet with a large number of questions would be a mistake as it would lead to confusion and would result in decisions that might be unsatisfactory and conflicting. He instead wished to find a positive approach which could convince cabinet of the need to reconcile the need to maintain both the *status quo* regarding WNG and good relations with Indonesia. Critchley's position was similar to Shaw's, in that he was eager to promote a policy that would 'avoid activities which would especially damage our relations with Indonesia'.<sup>99</sup> However he was much more aware of the need to avoid offending the Dutch or diminishing their resolve. He accepted that Australia should support Dutch sovereignty over WNG, but he believed that the support should be given 'unobtrusively' and that long-term commitments should not be encouraged.<sup>100</sup> While he advocated Australia taking a more 'passive' role at the UN, in which it would not 'lead the fight against the Indonesians', he opposed the idea of 'pressing' the Dutch to negotiate with the Indonesians or referring the matter to the International Court.<sup>101</sup> He was adamant that the timing of any action should be reliant upon the wishes of the Dutch. Critchley was not necessarily expecting a resolution to the dispute; he simply wished to encourage a strategy that would enable Australia to 'maintain the *status quo*' while also retaining 'good relations with Indonesia'. Critchley's attitude illustrates that the department was not necessarily seeking to irrevocably alter Australia's policy on WNG; they simply wished to promote a more subtle policy that would offend neither the Dutch nor the Indonesians.

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<sup>98</sup> Letter from Critchley to Shaw, 23 June 1955. NAA, A1838, 3036/6/1, part 16, p. 1.

<sup>99</sup> *Ibid*, p. 1.

<sup>100</sup> *Ibid*, p. 2.

<sup>101</sup> *Ibid*, p. 1.

*A change in tactics: Casey presents the case to cabinet, 27 June 1955.*

The intensive discussion on WNG within the department was brought to a head on 27 June 1955, when Casey took the issue to cabinet. Then, Casey told his colleagues that Australia's decision to support the Dutch claim over WNG had caused considerable difficulty to Australia's relations with Indonesia, a nation with which Australia would 'have to live'.<sup>102</sup> The importance Casey placed upon the issue was evident:

So long as the WNG issue is outstanding between us...we must take it as fact that this may prejudice friendly relations between Australia and Indonesia, that it impedes co-operation, that it will be the focus of discontent in Indonesia not only against Australia but to some extent against the West generally, and that it will be a theme on which Communist propaganda can play and on which Communist and anti-Western feeling can centre.

Casey emphasised the communist angle of his argument by acknowledging the recent visit of Indonesia's Prime Minister to Peking, which had led to a statement being issued by Chou en-Lai expressing China's support for Indonesia's claim over WNG. Casey therefore stressed the need for Australia to make efforts to encourage Indonesia to remain non-communist, but was concerned that Australia's capacity to positively influence Indonesia was hampered by its WNG policy.<sup>103</sup> Thus Casey tried to play upon his colleagues' fear of communism in an attempt to convince them of the importance of fostering a closer relationship with Indonesia.

Much of Casey's submission to cabinet mirrored the views of Tange, Shaw, Critchley and Shann. Casey touched on the prospect of the Indonesians raising the issue at the forthcoming UN Assembly and queried whether, in light of the success of the Bandung Conference, the Indonesians would have greater support than they had had in the previous year.<sup>104</sup> He also questioned the proposed actions of the Dutch, who had threatened to walk out of the Assembly if the issue was broached. Casey was concerned that the 'rigidity' of the Dutch position posed significant dangers and he feared that the Dutch might think that they could leave it to Australia to 'take the

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<sup>102</sup> Submission number 412, 'Dutch New Guinea', submitted to Cabinet by Casey on 27 June 1955. NAA, A4940, C508, part 1, p. 1.

<sup>103</sup> Ibid, p. 2.

<sup>104</sup> Ibid, pp. 2-3.

initiative' on the dispute.<sup>105</sup> Casey did not want to see Australia being forced into a position where it might have to 'make the running' for the Dutch, particularly in light of the adverse response Australia had received in Indonesia following its 'vigorous action' in the UN the previous year. While not suggesting that Australia should alter its general support of the Dutch, Casey clearly believed that, in the interests of friendly relations with the Indonesians, it would be necessary for Australia to at least dilute its defence of the Dutch position in WNG. Although not a complete reversal of previous policy, Casey was advocating a significant adjustment to Australia's tactics on the issue.

Casey outlined a number of possible courses that would allow the government to achieve the opposing goals of supporting the Dutch while placating the Indonesians. He argued that, in the event of a Dutch walkout at the UN, Australia should not follow suit, and instead adopt a 'moderate' approach to any discussion it might be involved in at the Assembly.<sup>106</sup> Casey also believed that the Dutch should be urged to take some kind of action on the issue which would at least give the impression that they were not aggressively inclined towards Indonesia. For example, he felt that the Dutch should be encouraged to make a statement allaying Indonesian fears that WNG might be used as a base for military action by the Dutch. He also raised the idea of the Dutch proposing to have the issue settled by the International Court, as a means of showing their willingness to discuss ways to resolve the issue.<sup>107</sup> Casey argued that the Indonesians would probably reject this offer, as they had done previously, but that such a move would demonstrate that the Dutch were open to finding solutions rather than being completely inflexible on the issue. With the same goal in mind, Casey also suggested that the Dutch might be asked about the possibility of offering to have WNG placed under a Dutch trusteeship. Again Casey considered that this offer would be rejected by both the Indonesians and the UN. However, he hoped it would show 'evidence of good faith' by the Dutch and might result in them making 'some impression' on members of the UN. Casey determined that such actions and statements by the Dutch would improve their 'tactical' position in the Assembly in

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<sup>105</sup> Ibid, p. 4.

<sup>106</sup> Ibid, p. 4.

<sup>107</sup> Ibid, p. 5.

that it would at least give the appearance that the Dutch were taking a less severe approach to the issue.

Casey urged his colleagues to reconsider Australia's policy for two reasons. First, the degree of antipathy on the subject amongst a 'substantial element' of the Dutch populace, with many calling for the Netherlands Government to make a deal with the Indonesians in exchange for assurances that Dutch financial interests in the region were secured.<sup>108</sup> Second, that the Dutch resolve to retain WNG was only being driven by a small number of influential politicians such as the Prime Minister, Drees, and the Foreign Ministers, Luns and Beyen. Casey expressed considerable apprehension as to whether the Dutch would remain so resolute in the event of a change of government. Thus, Casey's previous doubts about Dutch resilience, which were shared by prominent members of the department such as Stirling and Crocker, were obviously still significantly driving his efforts to resolve the dispute. However, Casey was also preoccupied with the imminent Indonesian elections, in which he feared that a government less sympathetic to Australia and the West might be installed if action was not taken to diminish tension between Australia and Indonesia.<sup>109</sup> With this in mind, Casey urged his colleagues to take actions likely to enhance the prospects of Indonesian political parties who were sympathetic to the West.

Casey concluded his submission by recommending that the Australian Government discuss its position on the issue with the Dutch at the earliest possible juncture. While assuring the Dutch of Australia's 'basic support', Casey believed it was necessary to emphasise to the Dutch 'the difficulties we feel in our relations with Indonesia'. It is therefore evident that Casey was not attempting to have the Australian Government completely transform its policy on WNG. He simply wished to give the appearance that Australia and the Dutch were prepared to give some ground on the issue. In most of the proposals made by Casey he believed that the actions undertaken would not actually lead to the resolution of the dispute. He simply considered that a softening of the Dutch and Australian positions on the issue would allow the *status quo* to be maintained while not further impairing Australian relations with Indonesia. Despite this, the fact that Casey was proposing that Australia water down its support of the

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<sup>108</sup> Ibid, p. 6.

<sup>109</sup> Ibid, pp. 6-7.

Dutch was significant given the Cold War context of the debate, with the Petrov affair, the Korean War and the conflict in Indochina still fresh in the minds of Australia's political hierarchy. Furthermore, this submission was presented by Casey only two days before he appealed to cabinet to consider opening relations with Communist China. This provides a substantial indication of the degree to which Casey, and his department, attempted to implement an independent Australian foreign policy towards Southeast Asia during the 1950s.

However, as would be the case with his submission on opening relations on Communist China, Casey's attempt to convince his cabinet colleagues to adopt a more positive outlook towards Australia's Asian neighbours failed almost entirely. Despite the measured nature of the policy alteration advocated by Casey and the department of External Affairs, the cabinet rejected the vast majority of his proposals.<sup>110</sup> Cabinet instead decided on a number of initiatives designed to bolster the Dutch position. It was determined that the US and UK Governments should be approached in an effort to get them 'on side' with Australia's point of view before the UN Assembly. In regard to discussing the issue with the Dutch, cabinet simply decided to talk about possibilities of developing greater ties between the Dutch territory in WNG and its Australian counterpart in the East. Most damning for Casey, cabinet chose to completely ignore his appeal for greater subtlety at the upcoming UN Assembly, instead deciding that the Australian delegation should make 'the strongest possible argument on the jurisdictional issue'. Furthermore, although it was decided that Australia would not follow the Dutch if they walked out, it was determined that the Australian delegation should inform the Assembly 'in the strongest possible terms' their understanding of the issue and should reiterate the 'absence of any real claims' by the Indonesians over WNG. The only aspect of Casey's submission that was given full support, other than the decision to decline from walking out of the UN Assembly, was that the Dutch should be encouraged to make a public statement that they had no intent to conduct military operations against Indonesia from WNG.

This again raises the issue of Casey's ability to convince his cabinet colleagues of the need to lighten Australia's policies towards Asia. However, Casey clearly faced a

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<sup>110</sup> See Cabinet Minute for Decision No. 482, 28 June 1955. NAA, A4940, C508, part 1. The Cabinet notes for this meeting are unavailable due to the regular note-taker, Cabinet Secretary A.S. Brown, being absent. The note-taker at this meeting was the Acting Secretary to Cabinet, R. Durie.

hostile reception when it came to any suggestion that there should be a weakening of Australia's resolve on the issue of WNG. The conviction of the cabinet was summed up by Casey's statement, in a subsequent message to Tange, that

In general the sense of the discussion in Cabinet was that we should do everything possible to stiffen up the Dutch to maintain their present sovereignty over Dutch New Guinea – and that they should be supported at almost any cost.<sup>111</sup>

Casey's appeal to distance Australia from involvement in the dispute had obviously fallen on deaf ears. Casey also described how cabinet had been opposed to the idea of taking the issue to the International Court as it might erode Dutch resolve. Cabinet was clearly not ready to accept the contention that Australia's relations with Indonesia outweighed the need to encourage the Dutch to remain in WNG.

Yet it is also evident that Casey himself was not as committed to the policy being articulated by his department. In his message to Tange, Casey wrote that he should have 'looked through' the submission more carefully before presenting it to his government colleagues.<sup>112</sup> Casey felt that had he been more discerning he would have 'altered the tone' of the submission with regard to the way it discussed Australia's relationship with Indonesia. Casey determined that the submission had stressed 'much too much the importance of good Australian- Indonesian relations'. He noted that this aspect of the submission had been 'very adversely commented on' in cabinet. Casey considered that he was able to set his colleagues' minds at ease, but only after discussion of 'considerable length'. Even in the case of a positive outcome, such as the decision to encourage the Dutch to issue a statement allaying any fears of aggressive intent, Casey noted that this decision by cabinet was only reached after 'a good deal of discussion'. This gives the impression that Casey was not as forthright in his support for a change of policy on the issue. However, it could also be argued that Casey was simply demonstrating his greater knowledge of what his cabinet colleagues would be prepared to accept, realising that a subtle approach would be required to change ingrained perceptions of Indonesia. Casey might have recognised that, although his own perception of Australia's place in the world had evolved, many of

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<sup>111</sup> Message from Casey to Tange, 29 June 1955. NAA, A1838, 3036/1/1 part 16, p. 2.

<sup>112</sup> Ibid, p.1.

his colleagues would be less inclined to share his world view. The accuracy of this appraisal was shown by the fact that it would eventually take the threat of military action by Indonesia, in 1961-2 to shift cabinet's position on the issue.

Casey's observation that he had not thoroughly read the submission is of great importance to an understanding of the extent to which he controlled his department's construction of policy. The impression is definitely given that the submission was compiled by the likes of Tange, Shann, Shaw and Critchley, and it appears that there may have been a considerable lack of input from the Minister. Casey had shown a definite inclination towards tempering Australia's policy on the WNG dispute in the preceding period, and he had a wide knowledge of the issue and the players involved, such as Luns and Agung which informed his actions. However, his dedication to the department's strong approach appears to have been less enthusiastic than that taken by some of his officers. This shows that, while the policy of the External Affairs Department in the 1950s might be considered to have been independently orientated and open-minded in regard to Southeast Asia, the positive attributes of the department's analysis must be ascribed not only to the Minister but, to a large extent, to his officers as well.

Yet, the extensive role played by members of the department does not entirely detract from a positive analysis of Casey's function as Minister. It must be acknowledged that, although the Minister should be in charge of the development and implementation of policy, it is also his responsibility to surround himself with individuals capable of assisting him in his task. By 1955 Casey had been Minister for 4 years and he had by this time had the opportunity to have a significant input into the make-up of his department. At the beginning of his tenure Casey inherited the department from Spender and, by virtue of Spender's limited time in office, Evatt. Spender, in his memoir, spoke of a 'body of opinion' within the department which was more Asia oriented.<sup>113</sup> While Spender dismissed these individuals, Casey chose to promote them, with Tange being the most obvious example. As Max Loveday, Casey's personal secretary during his initial years in office, stated, 'Casey seemed

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<sup>113</sup> Spender, op cit, , p. 296

more comfortable with Tange than he had been with Watt'.<sup>114</sup> Tange's biographer argued that Casey 'preferred Tange's style, more confident and decisive'.<sup>115</sup> Casey's decision to appoint Crocker to Djakarta to strengthen that post provided further evidence of his desire to fill his department with individuals with strong opinions on Asia. It could be argued that, by 1955 Casey had established a department which better reflected his own understanding of how Australia's foreign relations should be conducted, and which consisted of individuals he trusted to achieve his goals. Thus, bearing in mind the Minister's role in establishing the character of the department, and given his decision to accept the policies put forward by his officers, the style of policy developed within the department must be also credited to Casey.

However, Casey's lack of careful analysis of the submission also raises questions about his ability in cabinet in that, it at least appears that he entered the cabinet meeting under prepared and that he was satisfied that he could simply read the submission to his colleagues as a means of convincing them. Furthermore, we can infer that Casey was not entirely convinced of the legitimacy of the statements he was making when he stated that he would have weakened the references to Indonesia had he been aware of their nature. If this is the case, this prompts the conclusion that Casey was not adept at handling cabinet and that this may have contributed to his lack of success in persuading the Australian Government to institute a more positive, and friendly, policy towards Asia during his tenure. This subsequently reflects upon Casey's lack of success in regard to gaining recognition of Communist China, particularly considering the proximity of his two appeals to cabinet.

Despite Casey's seeming lack of conviction, his appeal to cabinet nevertheless represented a significant attempt to adjust Australia's policy towards Indonesia. When combined with his submission to cabinet on recognition of China on 29 June, Casey and the External Affairs Department were in the midst of a concerted campaign to improve Australia's ties with Asia. Casey, like Shann, had been profoundly influenced by the events at Bandung. In a letter to Peter Heydon, Australia's High Commissioner to India, Casey stated that Chou En-Lai had 'conducted himself very tactfully and skilfully and impressed most of the delegates with China's peaceful and

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<sup>114</sup> Loveday was quoted by Edwards in his biography of Tange, *op cit*, p. 59.

<sup>115</sup> *Ibid*, p. 59.

benign intent'.<sup>116</sup> Although there is no evidence to suggest that Casey believed the intentions of the Chinese were benign, he was sufficiently persuaded to tell Heydon that, in the event of another Bandung-like conference, 'we will have to face up to whether or not we want to attend'. For an experienced diplomat, who advocated negotiation over confrontation if at all possible, the ability of the Chinese to interact with other nations without incident, in Geneva and then Bandung, evidently convinced Casey that cordial relations between nations with opposing interests and ideologies were possible. The success of Bandung had clearly heightened Casey's, and his department's, sense that the time was at hand for Australia to conduct friendly and fruitful diplomacy, not only with China, but with Indonesia as well. Had Casey been more skilled in cabinet, and more prepared to press his argument, his and his department's desire for Australia to improve its relations with Indonesia might have borne fruit.

*The 'soft pedal': Crocker continues to appeal to Casey.*

Despite Casey's failure in cabinet, Crocker continued to urge the need to placate Indonesia. Crocker's attitude to the dispute was greatly influenced by his closer knowledge of Indonesia's domestic political climate. In an extensive report on the issue of WNG, Crocker asserted that the subject had become an obsession for Sukarno.<sup>117</sup> Furthermore, Crocker had been informed by Abu Hanifah, one of the Masjumi leaders, that Australia's strengthened position during the previous year's UN Assembly had mobilised public opinion on the issue in Indonesia. Despite Hanifah's desire to conduct friendly relations with Australia, he argued that the issue of WNG could no longer be avoided in Indonesian politics, and he asked Crocker if WNG was 'as important for Australia as Australian leaders seem to think'.<sup>118</sup> This statement is interesting when placed alongside Casey's earlier statement to Sukarno, where he asked why the Indonesians were so concerned about acquiring WNG. Clearly both sides were perplexed as to the motives of the other, which again highlights the degree to which Casey was misreading the degree of Indonesian antipathy on the issue. Casey's belief that the issue could be ignored, or at least overlooked, is again called into question in this instance with Crocker showing, on only limited experience of

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<sup>116</sup> Letter from Casey to Heydon, 28 June 1955. NLA, MS3155/118, Box 14, Correspondence, Lord Casey.

<sup>117</sup> Despatch from Crocker to Casey, 1 August 1955. NAA, M2576, 39, p. 9.

<sup>118</sup> *Ibid.*, p. 10.

Indonesian politics, that he had a greater grasp of the importance of WNG to all corners of the Indonesian political spectrum. While Casey's efforts to promote closer ties with Indonesia cannot be questioned, his efforts to understand the finer intricacies of the dispute were clearly lacking. Casey may have been an effective diplomat in terms of conducting cordial relations with Australia's northern neighbours, yet his ability to comprehend their motives, at least in this instance, appears to be considerably lacking.

Crocker was adamant that Australia should not be provoked by any statements that might be made in the imminent Indonesian election campaign, suggesting that 'we practice if not silence then the soft pedal'. Crocker acknowledged Casey's position in regard to Asia, noting his 'interest in being on good terms with our nearest neighbours'. Crocker concluded that Australia should not increase ties with WNG, and should certainly refrain from opening a Consulate there.<sup>119</sup> Crocker also believed that, in the event that a more approachable government came to power in Indonesia, both Casey and Menzies should visit the country. Most importantly, Crocker felt it necessary to find an answer to the question posed by Hanifah, by conducting an objective study which would determine the true importance of WNG to Australia. Crocker acknowledged that the political ramifications on the Australian scene would need to be taken into account and he stated that he was not looking for a 'complete turnabout to be made'. He recognised that WNG constituted a good bargaining point; however, he believed that a positive reappraisal of Australia's policy on WNG would not only improve relations with Indonesia, it would also boost Australia's prestige throughout Southeast Asia. While Casey had been attempting to sit on the fence in regard to the issue, Crocker was making a concerted effort to convince Casey that it was time to consider negotiating with Indonesia.

With Crocker's assessment in hand, Casey urged Menzies to consider visiting Indonesia following the elections, believing that such a visit could have a 'most beneficial effect' on Australia's relations with Indonesia.<sup>120</sup> In regard to the content of Crocker's memorandum, Casey realised that it contained many 'controversial ideas', which Casey was reluctant to endorse, yet he was convinced that the factors

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<sup>119</sup> Ibid, p. 15.

<sup>120</sup> Letter from Casey to Menzies, 23 August 1955. NAA, M2576, 39.

addressed by Crocker needed to be considered. Casey was particularly concerned by Crocker's doubts over the resilience of the Dutch, believing that Australia needed to continually assess the Dutch position on the issue. Casey determined that, regardless of whether he or Menzies agreed with Crocker's assessment, his ideas should be kept in mind as Australia sought to conduct its policy on WNG. It is therefore clear that, although Casey had not embraced Crocker's ideas, the Ambassador's views were being taken seriously by his Minister.

The attitudes of Crocker and Stirling illustrate the degree of division that existed within the department on the issue of WNG. While it has been shown that Casey and Spender had differing opinions at different stages, the degree of divergence between the views of Crocker and Stirling is much greater. Crocker's adherence to a similar attitude to that of Casey invites comparison between the previous experiences of the two. As with Casey, Crocker spent the war years on foreign soil, as a member of the British Army. It could therefore be argued that, like Casey, Crocker's attachment to the wartime perception of New Guinea as being vital to Australia's security interests was not as pronounced as many of his counterparts. This further strengthens the argument that Casey's more positive policy towards the nations of Southeast Asia, in this case Indonesia, was driven, at least in part by his separation from the Australian political climate in the years preceding the 1950s. While Australia had been gripped by a fear of Asia during the Second World War, and had subsequently grown to fear the retreat of Colonial powers in Asia, Casey had spent much of that period overseas, with at least some of that time being spent in India. Casey, as with Crocker, was also more attached to the European conception of the Cold War, which dictated that the best solution to the prevailing tension was to maintain cordial relations with all nations, irrespective of their perceived threat. Despite Casey and Crocker's shared view of the international scene, it is clear that they were opposed by equally committed proponents of the US conception of Cold War politics, which dictated that the best way to approach a perceived enemy was to increase security, which in this case meant retaining the Dutch presence in WNG. It is evident that, on this issue, Casey did not simply find himself having to navigate a course between the two nations involved; he also was faced the need to implement a policy which satisfied the vastly differing attitudes of members of his department. By attempting to employ a

policy of 'cold storage', it could be argued that Casey was also trying to placate the two sides of the argument within his department, as well as on an international level.

*A watching attitude: Casey's policy towards Indonesia at the United Nations, 1955.*

The degree to which Casey had taken Crocker's views on board was further illustrated in his dealings with Indonesian officials in the subsequent period. Casey had always adopted the 'soft pedal' approach endorsed by Crocker, remembering that Spender had been largely responsible for the more confrontational remarks made at the UN in 1954. However, the department's dealings with the Indonesians in the lead-up to the 1955 UN Assembly appeared to be even more restrained than previously. On 25 August, Plimsoll told the Indonesian *Charge d'Affaires*, B.A. Urbani that, although Australia's policy on WNG remained steadfast, Australia and Indonesia should 'stick together in accordance with the principles of collective security'.<sup>121</sup> Plimsoll also expressed Australia's hope for 'a strong independent nationalist Indonesia', believing that 'the real threat to Australia would lie in a threat to the independence of Indonesia'.<sup>122</sup> Although Plimsoll had restated Australia's opposition to Indonesia's claim over WNG, this example shows that senior members of the department were adopting more positive approaches to Indonesia. His emphasis on Australia's interest in maintaining a strong and independent Indonesia illustrates that Crocker's appeals had not gone unheard.

The department's more amenable point of view was also in evidence during the UN General Assembly in September. Despite Casey's belief that cabinet's attitude was that Australia should support the Dutch 'almost at any cost'<sup>123</sup>, he told Peter Heydon on 23 August that, although Australia would maintain its stand on the issue, 'we would prefer not to take the initiative'.<sup>124</sup> Casey obviously still hoped to avoid further injuring relations between Australia and Indonesia. Furthermore, when the prospect of talks being undertaken by Indonesia and the Netherlands was raised in the prelude to the UN Assembly Casey proposed that Australia should adopt a 'watching attitude', believing that it was premature for Australia to decide whether to take part in any

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<sup>121</sup> See record of conversation between Plimsoll and Urbani, 25 August 1955. NAA, A1838, 3004/11/28, part 1, p. 1.

<sup>122</sup> *Ibid.*, p. 2.

<sup>123</sup> Message from Casey to Tange, 29 June 1955. NAA, A1838, 3036/1/1 part 16, p. 2.

<sup>124</sup> Letter from Casey to Heydon, 23 August 1955. NLA, MS3155/118, Box 14, Correspondence, Lord Casey.

talks.<sup>125</sup> However, Casey was not averse to the idea, believing that if the Indonesians asked Australia to participate, the idea should be seriously considered as it would 'give Australia an accepted interest'. Casey suggested that Australia should 'keep the ball rolling' by expressing an interest if the Indonesians asked them to participate. Casey was also keen that Australia should not be seen by other governments, such as the UK, to be opposed to talks. He went so far as to suggest that Australia should tell the UK that it would take any opportunity of participating in talks, but that the decision would have to be deferred for the moment. Casey's open attitude to talks between the three nations with an interest in WNG could be construed as evidence that Australia's attitude towards the issue was indeed changing. However, it must also be taken into account that Australia's eagerness to take part was dictated by its desire to have its voice heard if any discussions were to take place. Australia did not want any decision affecting WNG to be made without its consent. Despite this, the tone of Casey's remarks implies that he, at the very least, was keen to avoid confrontation with the Indonesians over the issue which suggests that he was still adhering to the policy of 'soft pedalling' proposed by Crocker.

While Crocker's appeals to Casey appeared to be having at least some positive effect, Spender continued to voice his scepticism of Indonesian motives. On 11 September, Spender responded to the Indonesians request for talks by stating that Australia must not under any circumstances 'give any ground'.<sup>126</sup> Although he acknowledged that the Indonesian approach to Australia and its Western counterparts could be viewed as a change of policy, Spender believed the move was more a change of tactics, whereby the Indonesians were seeking to find ulterior ways to achieve their goal. Spender felt that the Indonesians were simply trying to improve their position in the lead-up to the UN Assembly by giving the appearance of being reasonable and open on the issue. The Indonesians argued that they wanted to take the heat out of the issue in the lead up to elections. Spender, on the other hand, suggested that the Indonesians wished to take the heat out of the issue so that they would face less opposition from Australia at the UN, thereby giving them a greater chance of gaining the support they required to

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<sup>125</sup> Message from Tange to Plimsoll in which Tange addresses Casey's views, 7 September 1955. NAA, A1838, 3036/6/1A.

<sup>126</sup> Cablegram from Spender to Menzies and Casey, 11 September 1955. NAA, A1838, 3036/6/1A, p. 1.

have the issue addressed by the UN.<sup>127</sup> It is therefore clear that Crocker's attempt to convince Casey to be more aware of Australia's relationship with Indonesia was being counteracted by Spender's efforts to encourage the Minister to maintain the government's virulent opposition to Indonesia's claim over WNG. Casey therefore found himself in a position where he had to determine which course to take.

On 14 September Casey, with Spender, met senior officials of the State Department, including Herbert Hoover, who was then Acting Secretary of State, and Walter Robertson, the Assistant Secretary of State on Far Eastern Affairs.<sup>128</sup> Casey reiterated Australia's support of the Dutch, again raising the prospect of the Australian Government being jeopardised if Indonesia gained possession of WNG, stating that the Australian public 'would go mad' at this result. In addressing the Indonesian proposal of talks being conducted, Casey expressed Australia's scepticism. Casey hoped that the issue could at least be delayed until after the Indonesian elections and placed lower on the UN agenda. Casey suggested that John Foster Dulles could help Australia and the Dutch by using his influence to obtain the support of as many Central and South American countries as possible.<sup>129</sup> Casey was informed that, should the vote become close Dulles was open to the idea of speaking to Latin Americans, as long as no harm was done to US relations with Indonesia.<sup>130</sup> However, Hoover was reluctant to take any immediate action which might 'set things on fire' in Indonesia, stating that the US would continue, as much as possible, to maintain a neutral position on the issue.

It is evident that Casey was closely attuned to Spender on this issue. This was of course influenced by Spender's attendance at the meeting. This example again highlights that Spender's position in Washington, when combined with his former position as Minister for External Affairs, allowed him to continue to exert considerable influence over the conduct of Australia's foreign policy. While members of the department such as Crocker appealed to Casey to reconsider Australia's policy, their efforts would be persistently hampered by Spender's activities, in particular on

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<sup>127</sup> Ibid, p. 2.

<sup>128</sup> The notes of the Minister's meeting with State Department Officials, 14 September 1955. NAA, A1838, TS 686/2/1/1.

<sup>129</sup> Casey's account of the meeting can be found in his diary entry for 14 September 1955. NAA, M1153, 49C.

<sup>130</sup> See notes of Minister's meeting, 14 September 1955, op cit, p. 2.

an issue like WNG, on which he had such strong feelings. In this instance, Casey's efforts to nurture closer relations between Australia and its Southeast Asian neighbours would face its greatest opposition from within his own department. However, on this issue Casey found himself in somewhat of a dilemma, in that he was caught between the two positions held by his Ambassadors. Casey obviously concurred with Crocker's belief that friendly relations with Indonesia were of paramount importance, yet he also clearly sympathised with Spender's position in that he feared the effect that the loss of WNG to the Indonesians would have on the Australian public and, subsequently, the government. With this in mind, Casey's continued effort to avoid addressing the issue by placing it in 'cold storage' can be better understood.

*The UN General Assembly, 1955.*

Despite Casey's apparent adherence to Spender's stronger approach he made a much greater effort to defuse the situation at the General Assembly in 1955. On 23 September, in his speech in the Plenary Session of the General Assembly, Casey only fleetingly addressed the issue of WNG.<sup>131</sup> When speaking about the prospect of the issue being placed on the agenda of the General Committee, Casey declined the opportunity to express the Australian delegation's views. He simply pointed to the debates of the previous year as evidence of Australia's position. Casey therefore sought to avoid making any statements which might be construed as being hostile towards the Indonesians. This suggests that, although Casey may have been privately subscribing more closely to Spender's attitude on the issue, publicly he was continuing to apply Crocker's approach by 'soft pedalling' on the issue.

Casey's efforts to calmly approach the issue were in further evidence during his meeting with the Indonesian Foreign Minister, Anak Agung. Agung stated that Indonesia wished to avoid the 'bitter argument' that had been a focal point of the previous year's debate. Casey told Agung that although Australia would be forced to oppose any attempt by the Indonesians to have the issue inscribed, that any argument would only be based on procedural aspects of the issue.<sup>132</sup> Casey acknowledged that

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<sup>131</sup> The full text of Casey's speech to the Plenary Session of the UN General Assembly can be found in NAA, A10299, U2. Reference to the WNG dispute appears on p. 8 of the document.

<sup>132</sup> Casey diaries, 26 September 1955. NAA, M1153, 49C.

any vote on the issue would be close but he was adamant that Australia was also eager to avoid repeating the heated discussion of the previous year. Casey believed that Agung was sincere and informed him that, if the programme he had outlined came about, with discussion of sovereignty off the agenda, then Australia 'would play'. Casey also raised the idea of resuming Dutch-Indonesian talks so as to ease tension between the two protagonists, which in turn would preserve the stability of the region.<sup>133</sup> Casey indicated to Agung that he was encouraged by the presence of the Burhanudin Harahap Cabinet in Indonesia, which was more positively disposed towards the West. Again, Casey was clearly eager to maintain friendly relations with Indonesia, and promote the existence of a moderate government, by being careful not to incite any animosity between himself and his Indonesian counterpart. While Spender would have no doubt questioned Agung's motives, and would have been sceptical of his statement that sovereignty would not form part of discussions, Casey chose to accept Agung's sincerity. This example further highlights the degree to which Casey's approach conformed with Crocker's, and shows that Casey continued to navigate a path between the two schools of thought of Crocker and Spender.

On 30 October, while visiting Indonesia, Casey spoke to Agung about the WNG dispute.<sup>134</sup> After arguing their respective cases, the two men came to the conclusion that 'the best thing to do was to let some time go by without active or public discussion of the WNG problem'. Casey believed that Agung wanted to 'put the matter on the ice for a number of years'.<sup>135</sup> Yet, despite Casey's intention to shelve the issue of sovereignty, his meetings with the Indonesian Government had given him the distinct impression that the current regime was moderate in its thinking, which prompted him to send a telegram to the Australian Embassy at The Hague favouring the holding of talks between the Dutch and the Indonesians, although on matters unrelated to the issue of WNG.<sup>136</sup> Furthermore, Casey released a joint statement with Agung which stressed the need for the matter to be settled by 'peaceful discussion' and in a way which would 'uphold peace and stability' throughout Southeast Asia. The statement also emphasised the need for Australia and Indonesia to develop co-

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<sup>133</sup> Ide Anak Agung Gde Agung wrote about the exchange with Casey in *Twenty Years Indonesian Foreign Policy, 1945-1965*, Duta Wacana University Press, Yogyakarta, 1990, p. 120.

<sup>134</sup> Casey diaries, 30 October 1955. NAA, M1153, 49C.

<sup>135</sup> Letter from Casey to Menzies, 5 December 1955. NAA, A1838, 3036/6/1A, p. 2.

<sup>136</sup> Casey diaries, 1 November 1955. NAA, M1153, 49C.

operation between the two nations to ‘the greatest possible degree’. The contents of this statement demonstrated that the Indonesians were still intent upon confronting the issue of WNG. Casey had clearly been misguided in his belief that Agung wanted to place the matter on ice, which again illustrates that, despite his best intentions, Casey was not as in tune with Indonesian thinking on the issue as he might have perceived. This statement, in which Casey and Agung openly refer to ‘peaceful discussion’ between the protagonists, represents a significant departure from the previous policy adopted by Spender. The apparent moderation of the prevailing Indonesian Government, combined with Australia’s need to foster closer ties with Indonesia, had undoubtedly prompted Casey to be more positively inclined towards negotiations between Indonesia and the Dutch, even if he intended to keep the issue of sovereignty off the agenda.

Casey’s misjudgement of Agung’s objectives was highlighted by Agung’s personal assessment of Casey’s and Australia’s policy. In *Twenty Years Indonesian Foreign Policy*, Agung identified an ‘ambiguity’ in Australian foreign policy.<sup>137</sup> As proof of the paradoxical nature of Australia’s policy, Agung quoted Casey’s thoughts from *Friends and Neighbours*, where he expressed the desire ‘to work closely and constructively with Indonesia’ and ‘avoid aggravating points of friction’.<sup>138</sup> He then juxtaposed these statements against the actions of Casey and the Australian Government in ‘denying and vigorously denouncing Indonesia’s national claim’ to WNG. Although Casey assumed that Agung was prepared to place the issue ‘on ice’, Agung’s sentiments suggest otherwise. This shows the extent to which Casey misjudged the tenor of Indonesian feeling on the issue. While Casey believed that he could establish close ties between Australia and Indonesia despite the issue of WNG, the divergence between his rhetoric and his actions was clearly causing consternation among his Indonesian counterparts. Casey’s inability to reconcile his support for the Dutch in WNG with his desire to improve Australia’s relations with Indonesia resulted in him adopting a policy that offended both sides of the dispute while satisfying neither.

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<sup>137</sup> Agung Gde Agung, op cit, p. 201.

<sup>138</sup> Ibid, p. 200.

*The barrister and the diplomat: Spender v. Crocker, 1955.*

While Casey was proving incapable of unequivocally taking one side or the other on the issue, Spender had no such reservations. Although Casey had expressed optimism about the incumbent Indonesian Government, Spender remained convinced that stronger support needed to be shown for the Dutch. In the lead-up to the General Assembly, on 6 September, Casey had circulated a savingram in which he asked Spender and the Australian delegation to the UN to present Australia's case in a 'moderate, dispassionate and objective' manner.<sup>139</sup> On 8 November Spender wrote to Menzies, Casey and Tange to voice his objection to this proposed technique, and to outline his understanding of the situation. Spender reconfirmed his belief that strategic considerations were fundamental to the issue and that Dutch retention of WNG was 'essential' to Australia's security.<sup>140</sup> He believed that the arguments in favour of Dutch sovereignty outweighed all other considerations, such as the maintenance of friendly ties with Indonesia and the rest of Asia. He considered these issues to be important, but 'secondary'. Spender was concerned that Casey's recent policy had been more oriented towards Indonesia, and that the secondary issues were taking precedence over the primary objective. Spender considered the apparent recent softening of Indonesian policy as a change of tactics rather than a change of heart on the matter.<sup>141</sup> Spender was certain that the 'olive branch' Indonesia had recently extended to Australia was nothing more than an attempt to weaken Australian resolve on the issue of WNG, thereby jeopardising Australia's solidarity with the Dutch. Spender was adamant that Australia's tentative tactics were playing into the hands of the Indonesians. Spender felt that it was necessary for Australia to be 'as firm and clear' on the issue of WNG as they had been previously.<sup>142</sup>

Even after the UN General Assembly, which again achieved no resolution to the dispute, Spender continued to suggest that Australia's present policy was inadequate.<sup>143</sup> Spender was particularly critical of attempts to avoid the issue, believing that this offered no solution to the problem and that this was only 'a means

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<sup>139</sup> See Spender's Savingram 17 to Menzies, Casey and Tange on 8 November 1955, in which he details the message sent to him in September. NAA, M2576, 39, p. 2.

<sup>140</sup> *Ibid.*, p. 1.

<sup>141</sup> *Ibid.*, p. 2.

<sup>142</sup> *Ibid.*, p. 3.

<sup>143</sup> See letter from Spender to Tange, 17 January 1956. NAA, A1838, 3036/6/1A.

of postponing the hour when the difficulties must be faced'.<sup>144</sup> Spender was concerned that 'cold storage' might, in the long term, work to Australia's disadvantage in that it might result in a gradual lessening of Dutch resolve. Spender feared that the evolving composition of the UN could lead to the Indonesians gaining a resolution in their favour within two or three years, particularly if the Dutch position weakened. Spender advocated the government carrying out a thorough examination of its position on the issue due to his belief that 'cold storage' was 'not a policy within itself' and that it simply tempted the government to avoid the issue. Spender expected that the examination of policy would find that WNG was essential to Australia's security and that policies such as promoting Dutch trusteeship of the territory would need to be entertained. It is therefore clear that Spender's opposition to the department's efforts to avoid the issue so as to preserve relations with Indonesia, and his support of Dutch sovereignty over WNG, had not dissipated.

Spender's initial unequivocal support of the Dutch, to the detriment of Australia's future relations with Indonesia drew a caustic response from Crocker.<sup>145</sup> Crocker believed that Spender's estimation of the situation was 'not particularly logical' and that it was greatly at odds with Casey's own assessment. Crocker argued that Spender approached the issue with the technique of a barrister, whereby he sought to 'impress the minds of jurymen rather than to disentangle the truth'. Crocker was concerned that Spender was seeking permission to 'carry on at this Assembly in the same way in which he carried on in last year's Assembly'. While Spender had argued that a moderate approach would play into the hands of the Indonesians, Crocker believed that the opposite was true and that Sukarno, the virulent nationalists and the communists in Indonesia would welcome an openly hostile response from Australia. Crocker clearly enunciated his support for Casey's approach and encapsulated his virulent opposition to Spender, in his statement that

Quite brutally, Spender's intention is to defeat your policy of better manners and of reasonable relations both with our nearest neighbour and with Asia. He shows no sense of what is going on amongst the eighty odd million inhabitants of Indonesia and of what is at stake; no sense of the existence of Asia; and no sense of Australia's strength

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<sup>144</sup> Ibid, p. 2.

<sup>145</sup> Letter from Crocker to Casey, 19 November 1955. NAA, A10299, W5.

in relation to our Asian neighbours. His estimate of the situation seems to be based on the assumption that we will owe our continued existence to the United States and that we can always count on the United States.<sup>146</sup>

With a prescience seemingly lost on Spender, Crocker realised that WNG could not be held indefinitely and therefore understood the need to build positive relations between Australia and Indonesia. Furthermore, Crocker recognised that the US could not be relied upon to support Australia if this support was considered to hinder US interests elsewhere in Asia. In an effort to circumvent Spender's negative approach, Crocker again appealed to Casey to urge Menzies to visit Indonesia without delay. Crocker hoped that Menzies could be convinced of the importance of Indonesia if he visited within the following few months and that, with Menzies' support, Casey's efforts to reorient Australia's policy would be more successful.

Considering the positive nature of Casey's most recent visit to Indonesia, it could be assumed that he would welcome Crocker's sentiments. However, despite Crocker's appeal to take a more authoritative stance in cultivating closer ties between Australia and Indonesia, Casey chose to again attempt to maintain the *status quo*, both in international terms as well as in regard to the divergence of opinions within his department. On 5 December Casey informed Menzies that he 'heartily' agreed with Spender's belief that Australia should continue to support Dutch sovereignty of WNG.<sup>147</sup> Casey stated that, although his instructions to Spender had heavily emphasised the need for moderation when dealing with the Indonesians, he had simply been seeking to ensure that no unnecessary offence was caused. Casey was clearly eager to avoid the more hostile debate which had marked the previous year's debate. It therefore appeared that Crocker's appraisal of Casey's policy toward Asia had been somewhat misguided in that Casey still adhered to the belief that Dutch sovereignty of WNG needed to continue.

Yet, although Casey agreed with the basic substance of Spender's position, he still made a number of observations to Menzies which corresponded more closely with Crocker's thinking. Casey rejected Spender's single-minded devotion to denying

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<sup>146</sup> Ibid.

<sup>147</sup> Letter from Casey to Menzies, 5 December 1955. NAA, A1838, 3036/6/1A, p. 1.

Indonesia's claim to WNG, stating that the need to maintain a 'moderate, friendly and non-communist government in Indonesia' was of great importance too, from the perspective of both defence and of foreign policy.<sup>148</sup> As will be shown, the prospect of a communist Indonesia informed much of Casey's policy initiatives on the issue, in particular in the latter part of the decade. Casey believed that Australia faced a choice between helping a moderate Indonesian Government, which was open to the idea of shelving discussion of WNG, retain office or facing the prospect of a 'virulent' nationalist government which would pursue the issue with vigour and may even resort to force of arms.<sup>149</sup> Casey felt that it was only common-sense that Australia 'buy a few years respite from bitter international public argument', and in the process get 'the best of both worlds' by improving relations with Indonesia while keeping them out of WNG.<sup>150</sup> Casey believed that this opportunity of achieving the best of both worlds might not recur and he was adamant that Australia 'should not jeopardise this lightly'. He asked Menzies to consider how the Defence Committee would assess the relative advantages of having a friendly or hostile regime in Indonesia. It is therefore evident that Casey continued to navigate a course between the opposing positions of his Ambassadors in Washington and Djakarta. However, it is clear from Casey's sentiments that his own beliefs bore closer comparison to those of Crocker, in that he placed considerable emphasis on the need to preserve Australia's relations with Indonesia. Casey's dedication to the Dutch in WNG clearly only extended to the need to prolong their sovereignty, until such time as the issue could be successfully resolved, whereas Spender was committed to maintaining Dutch sovereignty, or at least trusteeship, indefinitely.

Throughout the entire dispute between Crocker and Spender, Casey appears to have been sidelined by the two combatants, allowing himself to be buffeted by their points of view. In effect, Casey was being cajoled by two members of his diplomatic team who, while entitled to offer an opinion, appeared to be taking a much more authoritative stance than was required of their positions. The Minister should be ultimately responsible for the formulation and implementation of policy, yet in some respects Casey appeared to be less involved in debate on this issue than other

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<sup>148</sup> Ibid, p. 3.

<sup>149</sup> Ibid, pp. 2-3.

<sup>150</sup> Ibid, p. 3.

members of the department such as Crocker, Spender and also Tange. This sheds important light on Casey's role in External Affairs, in that it shows the degree to which he was indecisive in terms of producing policy. In fact, it could be argued that in his adoption of 'cold storage' he was actually manufacturing a means to play both sides of the dispute. While both Crocker and Spender were able to succinctly and authoritatively argue their positions, Casey chose to vacillate, never unequivocally adopting either side of the argument, for fear of offending either the Indonesians or the Dutch. Spender certainly believed that Casey could be influenced by members of the department. In his memoir Spender noted that, even during his tenure, there had been a 'body of opinion' within the Department of External Affairs which believed that Australia's policy should be solely concerned with the maintenance of positive relations with Indonesia.<sup>151</sup> While Spender vehemently disagreed with this 'body of opinion' he was convinced that Casey was much more influenced by it.

While Casey's diplomatic skills cannot be questioned, his ability on a political and policy making level was clearly lacking. The way in which he allowed himself to be influenced and buffeted by members of his department in regard to the WNG dispute bears some resemblance to his conduct in regard to the recognition of China, where he did not take action of any real note on the issue until he had a forceful guiding hand, in the form of Arthur Tange. It can therefore be suggested that Casey's failure to find a suitable solution to the WNG dispute, combined with his inability to have China recognised, were a result of his own failings as a Minister. While Casey's dedication to promoting greater ties with Asia can be considered to be admirable - had strong-minded individuals such as Crocker or Tange been in charge of External Affairs throughout the 1950s, there may have been much greater strides taken in Australia's affairs with its northern neighbours. Although Tange was in effect running the department, and can therefore take some responsibility for its ineffectiveness, had he a Minister in charge more capable of applying the policy produced by the department, the results might have been different. Although a resolution of the WNG dispute may still have been impossible, the degree of animosity felt within Indonesia towards Australia may have been greatly diminished if the Australian Government had been convinced by Casey that its quest to retain Dutch sovereignty in WNG was doomed.

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<sup>151</sup> Spender, *op cit*, p. 298.

Casey's strength as a diplomat - his ability to successfully placate and communicate with leaders from numerous countries - also led to his greatest flaw as Minister for External Affairs, which was his inability to implement a decisive policy.

*Indonesian appeals to the United Nations: 1956 and 1957.*

Although Spender had called for a reappraisal of Australia's policy early in 1956, Casey continued his effort to play both sides of the issue in the following two years. Casey's continued positive approach to Indonesia was in evidence in a meeting with Agung in Djakarta on 27 February, 1956. Casey told Agung that he regretted that Dutch-Indonesian negotiations in Geneva had failed, and he expressed the hope that Australia's relations with Indonesia would remain 'as cordial as ever'.<sup>152</sup> Upon his departure from Djakarta Casey told the assembled press that 'the difference of opinion on one point [WNG] cannot disturb Australian-Indonesian relations'.<sup>153</sup> The substance of Casey's exchange with Agung, and his statement to the press make it clear that Spender's appeal had not swayed the Minister. Casey's tempered tone was instead more in keeping with the advice he had received from Crocker, and again shows Casey's desire to avoid offending the Indonesians.

In the latter part of 1956 the Indonesians again attempted to have the issue addressed by the UN. The Australian delegation again opposed the Indonesian initiative, with Spender offering Australia's opinion on the matter to the State Department in October. In this case, the Australians put forward the idea that the issue should be resolved in the International Court of Justice rather than the UN, and that the territory should be reserved for its own inhabitants rather than becoming a part of Indonesia.<sup>154</sup> Herbert Hoover told Spender that the US would not alter its policy of remaining neutral on the issue. Walter Robertson reiterated the US position during a meeting with Casey in November, stating that the US wished to maintain neutrality due to the need to protect the many assets in Indonesia that were held by members of the free world.<sup>155</sup> Casey was concerned that Australia and the Dutch would face a 'more awkward' time in the UN during the 1956 Assembly, yet Robertson feared that, if the

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<sup>152</sup> Agung gde Agung, op cit, p. 173

<sup>153</sup> Ibid, p.173.

<sup>154</sup> See Memorandum of a Conversation Department of State, Washington, 19 October 1956. *FRUS, 1955-1957*, vol. XXII, Indochina, op cit, pp. 313-14.

<sup>155</sup> Casey diaries, 8 November 1956. NAA, M1153, 49D.

US offended Sukarno, he might look more to Mao Tse Tung, who had recently made a favourable impression on the Indonesian President. Robertson therefore wished to avoid a situation where the Indonesians might feel that the 'imperialists were ganging up on them'. Casey received more positive feedback from Radford, at the Pentagon, who expressed his remorse at the US adoption of neutrality, believing that Australia and the Dutch should be supported on the issue.<sup>156</sup> However, it was clear that, despite Radford's misgivings, Australian efforts to obtain US support for their policy on WNG continued to be thwarted.

Although the Australians had again been unable to convince the US to support them, the UN again chose to overlook the issue. This decision was due, in large part, to the Indonesians' decision not to pursue the issue with as much vigour as they had in previous years. On 27 November, Casey was told by the Indonesian Foreign Minister, Abdulgani, that his delegation would be 'quite content' if the item was not considered until January.<sup>157</sup> Furthermore, Abdulgani expressed Indonesia's intention to 'try and get a very moderate resolution moved, regretting that the WNG problem still existed and expressing the hope that it would be resolved by peaceful means'. This statement bears considerable resemblance to that made by Casey and Agung in October 1955, which in turn demonstrates that Casey's wish to see Indonesia moderate its position might finally be becoming a reality. As has been stated previously, the Indonesians felt compelled to raise the issue at the UN due to the magnitude of public sentiment on the issue within Indonesia. However the moderate tone of Abdulgani's statement suggests that Indonesia was adopting a similar position to Casey in trying to placate both its own population and the Western world. Despite Spender's misgivings about placing the issue on ice, it is evident that, at least in the twelve months after his statements the issue was still effectively being quelled.

*The seeds of rebellion. Indonesian internal upheaval, 1957.*

Although Indonesian claims to WNG had been successfully thwarted for another year at the UN, events within Indonesia were transpiring which would greatly influence future debate on the issue. In December 1956, army officers in Sumatra rebelled

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<sup>156</sup> Casey diaries, 9 November 1956. NAA, M1153, 49D.

<sup>157</sup> Casey diaries, 27 November 1956. NAA, M1153, 49D.

against the government in Jakarta, seizing control of the local civil government.<sup>158</sup> In addition to this the government was faced with resistance forces in Aceh which further contributed to the destabilisation of Indonesia.<sup>159</sup> Throughout the ensuing months, as the Indonesian regime sought to regain control of the nation, Sukarno began to implement his new system of 'guided democracy', which would be based on a 'mutual cooperation' cabinet of the major Indonesian parties. Its implementation coincided with Sukarno's more open attitude to the Partai Komunis Indonesia (PKI), Indonesia's Communist Party. In March, the Permesta rebellion commenced, with Lieutenant-Colonel Sumual taking control of East Indonesia by proclaiming martial law in the region.<sup>160</sup> In response to these events, Major-General Nasution, the Indonesian army's Chief of Staff, seized on the opportunity to end parliamentary democracy by urging Sukarno to declare martial law over the entire nation. While Casey had continually attempted to promote the need for Australia to nurture a friendly relationship with Indonesia, the evolving internal conflict within Indonesia would force Casey and the Australian Government to reassess their short-term objectives.

As events in Indonesia unfolded, Australia was playing host to a SEATO Conference, which began on 11 March 1957. During the course of the conference Casey and Tange consulted with the US delegation, led by Dulles and Robertson, about the worsening situation in Indonesia.<sup>161</sup> Casey told the delegation that he believed that the case for Dutch retention of sovereignty over WNG was considerably strengthened due to the degree of instability now existing in Indonesia. Dulles agreed with Casey's assertion that the Dutch should 'hang on'. Dulles stated that the US had previously taken a neutral stance on the issue for tactical reasons, but he was now convinced that the Dutch should remain. Dulles feared that the Indonesian regime might not be politically skilled enough to hold the archipelago together. In a first hint of future activities, Robertson pointed out that the leaders of the revolt were anti-communist and he decried Sukarno's proposal to allow communists in cabinet, as would happen under 'guided democracy'. He was particularly concerned by Sukarno's favourable

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<sup>158</sup> M.C. Ricklefs, *A History of Modern Indonesia Since c.1200*, Palgrave, Hampshire, 2001, p. 308.

<sup>159</sup> *Ibid*, p. 309

<sup>160</sup> *Ibid*, p. 310

<sup>161</sup> See Memorandum of a conversation between Casey, Tange and the US delegation to SEATO, 13 March 1957. *FRUS*, vol. XXII, *op cit*, pp. 366-7.

view of Mao Tse Tung's system of 'controlled democracy'. While Casey had previously been inclined to avoid offending Indonesia, this exchange between Casey and the US delegation illustrates that the internal turmoil in Indonesia was gradually forcing Casey to become more positively disposed towards the need to retain Dutch sovereignty over WNG.

Casey's increased opposition to Indonesia was no doubt exacerbated by Sukarno's recent decision, in 1956, to approach the Chinese and Soviets in regard to obtaining financial assistance.<sup>162</sup> Sukarno argued that his government was 'neutralist' and was not beholden to any one nation regardless of its doctrine. However, the US illustrated its displeasure with Sukarno's actions by vastly decreasing its subsequent aid package to Indonesia.<sup>163</sup> Sukarno's behaviour increased fears that he was becoming more open to communist overtures and his implementation of 'guided democracy', which would see Indonesian communists given a greater voice in the government, only heightened anxiety about the direction the Indonesian Government was taking. Thus, Casey's dedication to improving relations with Indonesia and placating Sukarno's Government was being sorely tested, which in turn led to an increase in Casey's support for the Dutch in WNG.

Casey's renewed support for the Dutch was illustrated on 4 October 1957, when Casey and Spender vigorously pleaded for US assistance in preventing the Indonesians from gaining a majority at the UN.<sup>164</sup> Dulles reconfirmed his belief that Indonesian sovereignty over WNG would be contrary to the interests of US security, in particular in the event that Indonesia became communist. He was concerned that it would bring Indonesia closer to Australia and that the offshore island chain would be breached. Dulles stated that if it were simply a matter of dealing with Sukarno, he would be prepared to tell him, as a means of reminding him of the disadvantages of adopting communist policies, that the US opposed Indonesia's claim over WNG.<sup>165</sup> However, Allen Dulles indicated the adverse affect that such a move would have on

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<sup>162</sup> Roland Challis, *Shadow of a Revolution: Indonesia and the Generals*, Sutton Publishing, Gloucestershire, 2001, p. 43.

<sup>163</sup> *Ibid*, p. 43. The US reduced its aid package to Indonesia from \$35 million to \$15 million following Sukarno's visits to China and the Soviet Union.

<sup>164</sup> See US minutes of the ANZUS Council Meeting, 4 October 1954. *FRUS*, vol. XXII, op cit, pp. 469-70.

<sup>165</sup> Casey diaries, 4 October 1957. NAA, M1153, 49D.

the forces in Indonesia who were opposed to Sukarno.<sup>166</sup> It is therefore evident that, although US officials were becoming more sympathetic to Australian appeals, there was unlikely to be any significant change in US policy for the time being.

*Casey's joint statement with the Dutch, November 1957.*

The extent to which the unstable political climate in Indonesia had forced Casey to reassess his policy on WNG was underlined by his decision, in November 1957, to release a joint statement with the Dutch.<sup>167</sup> In this statement, Casey and his Dutch counterpart, Joseph Luns, determined that Australia and the Netherlands would aim to gain increased administrative cooperation between their respective territories in New Guinea, with the ultimate goal of achieving the unification of the two territories. Both Ministers also committed themselves to encouraging the self-determination of the ethnic Melanesian inhabitants of WNG. In previous years there had been a number of efforts made by the Australian and Dutch Governments to increase contact between their two territories. However this statement represented the first extensive public commitment to such a course. Considering Casey's previous endeavours to placate the Indonesians and keep the issue in 'cold storage', this development denoted a significant change in Casey's policy. Casey seemed to have accepted that the issue was becoming too important to be simply ignored in the hope that it might go away. The continuing deterioration of the internal political climate in Indonesia had evidently forced Casey to take the issue out of 'cold storage' and throw the weight of Australia's support behind the Dutch.

*Casey's response to Indonesian attacks on Dutch interests, November-December 1957.*

Late in November 1957, circumstances in Indonesia conspired to heighten Casey's, and his government's, resolve to oppose Indonesia's claim to WNG. On 29 November, for the fourth consecutive year, the UN voted against Indonesia's resolution that the Dutch be forced to negotiate a settlement of the WNG dispute. Sukarno had previously predicted that another failure at the UN would force

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<sup>166</sup> *FRUS*, vol. XXII, op cit, p. 471.

<sup>167</sup> The details of this agreement can be found in Cabinet Submission 922, dated 4 November 1957. NAA, A4940, C1971.

Indonesia to take extraordinary measures in an effort to achieve its goal.<sup>168</sup> In early December, anti-Dutch sentiment, roused by the UN decision and openly encouraged by Sukarno, led to the take over of Dutch businesses, including the Royal Mail Steam Packet Company, by, among others, PKI unions.<sup>169</sup> On 5 December the Ministry of Justice ordered that about 46,000 Dutch citizens be expelled from Indonesia.<sup>170</sup> On 13 December, in an effort to take control of the situation, Nasution ordered that the army would supervise the seized businesses. The ongoing rejection by the UN of Indonesia's claim to WNG had driven the country's political leadership to take matters into its own hands.

In the midst of the escalating crisis in Indonesia, Casey compiled a document in which he restated the Australian Government's policy on WNG while establishing how Australia should respond to the prevailing situation.<sup>171</sup> Although Casey reasserted Australia's support for the Dutch, both on the issue of WNG and in terms of the Dutch treatment within Indonesia, he also stressed that Australia could 'never overlook' the proximity of Indonesia to Australia.<sup>172</sup> Casey was adamant that it was in Australia's best interests to have a 'friendly Indonesian Government co-operating with the West', and at worst he was devoted to keeping the country out of communist or extreme nationalist hands. Casey's continued dedication to fostering closer, friendlier, relations between Australia and its Asian neighbours was further highlighted by his wariness on how Australian comments on the issue might be perceived in Asia. Casey understood that there were many elements throughout Asia who were sympathetic to the Indonesian cause, and he wished to avoid a situation where Australian statements might be seen to have been motivated by 'considerations of colour' or by the wish to see 'force applied against a former colonial people'. Casey also cautioned against promoting the idea that Australia's policy towards Indonesia was dictated solely by a concern for Dutch interests.<sup>173</sup> Casey still maintained that Australia encourage and assist the Dutch on issues, such as WNG, in

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<sup>168</sup> Ricklefs, *op cit*, p. 316.

<sup>169</sup> *Ibid*, pp. 316-17.

<sup>170</sup> *Ibid*, p. 317.

<sup>171</sup> For the full text of the document compiled by Casey on 10 December 1957, see NAA, A1838/276, TS 3036/6/2/1 part 1.

<sup>172</sup> *Ibid*, p. 11

<sup>173</sup> *Ibid*, pp11-12

which the two nations shared an interest.<sup>174</sup> However, he did not wish Australia's policy to become so closely linked to the Dutch that 'we lose the good will and influence we have acquired in Asia'. It is therefore clear that, although circumstances had forced Casey to intensify his support of the Dutch over the issue of WNG, he still persisted in encouraging closer relations between Australia and Indonesia, as well as the rest of Asia. In this hostile political environment, we can see here Casey's dedication to his moderate policy towards Southeast Asia.

Menzies saw the deteriorating situation in Indonesia as the perfect opportunity to make an appeal to the US to openly support Australia and the Netherlands in regard to the WNG dispute. Menzies was aware of the US Administration's previous desire to 'stand aloof' on the issue, but he felt that recent developments impelled the US not to remain silent, indifferent or hesitant on the issue.<sup>175</sup> Menzies urged the US to use its influence at the highest levels in Indonesia in an effort to halt the spiralling situation. Menzies informed Dulles that his government would be making a public statement on the issue as the Australian public 'demands one', although Menzies promised that it would be in less provocative terms than he had used in his private message to the US.<sup>176</sup> Subsequently, Casey released a press statement detailing the Australian Government's dismay that Indonesia would attempt to achieve its objective by means of 'direct reprisal and intimidation of the country with which Indonesia is in dispute'.<sup>177</sup> Casey contended that the Indonesian actions constituted 'a grievous blow' to international order, and that respect for the UN was at risk. It therefore appeared that Casey, and his government, had now been forced by circumstances to place their full support behind Dutch efforts to retain sovereignty over WNG. 'Cold storage' no longer seemed to be a viable option. This indicates the degree to which Menzies was becoming more prominent in the field of External Affairs. As was shown in the previous chapter, in the years following the Suez Crisis, Casey's status in the realm of External Affairs became far less pronounced, allowing Menzies to become even more dominant than he had previously been. Thus, while Casey remained the mouthpiece of the government in regard to external affairs, the Prime Minister was, at least in this instance, dictating policy.

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<sup>174</sup> Ibid, p. 12

<sup>175</sup> Ibid, p. 2.

<sup>176</sup> Ibid, p. 3.

<sup>177</sup> Press Release, 12 December 1957. NAA, A1838, TS 3036/6/2/2, p. 1.

*Rebellion in Sumatra, February 1958.*

The possibility of avoiding the issue became even less likely early in 1958 when the smouldering tension in Indonesia was inflamed by full-scale rebellions in both Sumatra and Celebes. On 15 February 1958, a rebel government, Pemerintah Revolusioner Republik Indonesia (PRRI) – the Revolutionary Government of the Indonesian Republic – was proclaimed in Sumatra, and two days later the Permesta rebels in Sulawesi united with the new government.<sup>178</sup> Sukarno vowed to crush the rebellion, and in the following weeks extensive military action was taken by the Indonesian Government, including aerial bombing of PRRI installations. Indonesia's military moved decisively to quell the conflict, with the rebellion being reduced to little more than guerrilla fighting in Sumatra by May.

However, the rebellions caused a significant rift in the relationship between Indonesia and the West, most notably the US. American concern at Sukarno's adoption of 'guided democracy', led to the US covertly aiding the rebel leaders, due to their ardent anti-communist sensibilities. From the very beginning, the Indonesian Government was aware of this situation, with Dr. Subandrio, on 21 February, accusing SEATO of providing 'moral help and encouragement at least'.<sup>179</sup> On 15 March Subandrio identified two shipments of American arms that had been dropped by planes in Pekanbaru.<sup>180</sup> The Indonesians discovered evidence which showed that foreign aid was being provided to the rebels, most significantly from the US's close ally the Republic of China<sup>181</sup>, and tensions were further strained in May when an American civilian pilot was shot down over Ambon while on a bombing run in support of the rebels.<sup>182</sup> The fact of US involvement in the conflict was illustrated by Dulles' response to this incident, with him questioning whether the US would be forced to 'consider backing more overtly the anti-Communist elements in the neighbourhood'.<sup>183</sup> This also caused a reassessment of the US position on the conflict, with Dulles immediately surmising that he 'could not see in the long run any

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<sup>178</sup> Ricklefs, op cit, p. 318.

<sup>179</sup> Telegram from the Embassy in Indonesia to the Department of State, 21 February 1958. *FRUS*, vol. XVII, 1958-1960, Indonesia, op cit, p. 44.

<sup>180</sup> Telegram from the Embassy in Indonesia to the Department of State, 15 March 1958. *Ibid*, p. 70.

<sup>181</sup> Telegram from the Embassy in Indonesia to the Department of State, 30 April 1958. *Ibid*, p. 126.

<sup>182</sup> Ricklefs, op cit, p. 319.

<sup>183</sup> See memorandum of conversation between John Foster Dulles, Allen Dulles and General Cabell, 18 May 1958. *Ibid*, p. 187.

possibility of this being a winning course'. Consequently Dulles chose to condemn foreign intervention in the conflict stating that the matter should be settled 'without intrusion from without'. Thus, the US Government was forced to reassess its position in regard to its policy towards the rebellions and Indonesia as a whole.

Throughout this time, Australian officials took part in discussions with the US and UK Governments in an attempt to identify how best to address the issue. With the rebellions in Sumatra and Celebes subdued, on 27 May consultations between the three nations decided that 'the moment had come when we should try to influence Indonesian military and civil leaders'.<sup>184</sup> Australia had been attempting to increase US activity in its region throughout the decade and it appeared that, at least in the case of Indonesia, its objective was being achieved. The involvement of Australia in such crucial consultations would have been considered to be a significant triumph for the Australian Government. However, subsequent US policy towards Indonesia would place Casey and the Australian Government in an awkward position. The defeat of the rebellions, the US's first choice of anti-communist opposition in Indonesia, forced the US and its allies to find another option within Indonesia which could resist the communists. The focus of US efforts was the Indonesian army led by Nasution, and it was decided that the US should seek to provide aid to Nasution and Indonesia's armed forces in an effort to strengthen their stand against communism. This idea placed the Australian Government in a predicament in that it was considered that the strengthening of the Indonesian military would make it more capable of mounting an offensive against WNG, in particular considering the Indonesian military had already gained greater strength through its ability to crush the rebellions. However, the rebellions had prompted a change in Defence committee assessments of Indonesian military capacity and the Australian Government was reluctant to take any action which might jeopardise the greater cooperation between itself and the US Administration.

The failure of the rebellions led to a shift in US policy which would have a significant impact on Australia's outlook towards Indonesia and the dispute over WNG. While the US had attempted to use the rebellions to their benefit by subversively trying to

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<sup>184</sup> Memorandum of conversation, 27 May 1958. Ibid, p. 211.

ensure Sukarno's defeat, their failure to gain the desired outcome would lead to the decision to abandon any pretence of support for the Dutch cause in WNG. The need to placate Sukarno and prevent him from moving closer to communism outweighed the need to retain Dutch sovereignty over WNG. Although the US was not overly pleased with Sukarno's methods, they assessed that it was more practical to try to work with him rather than against him. In accordance with this new policy, the US provided Indonesia with aid and arms, which Sukarno then threatened to use against WNG.<sup>185</sup> Casey's, and the Australian Government's, continued support for the Dutch was therefore becoming far less tenable given the altered approach of their greatest ally.

*Stewing in their own juice: Australian efforts to reinforce the Dutch position.*

The Australian Government was therefore faced with the need to reassess gradually its position on WNG. On 3 June, Casey spoke to cabinet about the US decision to provide arms to Indonesia, acknowledging that the Australian Government had impressed upon the US the need to ensure that any weapons it provided were only to be used in respect to internal security.<sup>186</sup> Casey believed that there was case for a moderate amount of arms to be supplied to the Indonesians, particularly in an attempt to ensure that the Indonesian army was capable of handling any communist opposition.<sup>187</sup> Casey expressed similar views to the US in regard to Nasution, believing that he needed to be reinforced as the 'strongest potential anti-Communist force in Indonesia'. However, concern for WNG remained strong. Casey informed cabinet on 8 July that the Netherlands was becoming progressively more anxious about the possibility of an Indonesian attack on WNG.<sup>188</sup> The Dutch were eager to promote greater collaboration between themselves and Australia and hoped to have staff talks on the defence of WNG in the near future. Casey was coming to the conclusion that Australia would not be able to 'go as far' as the Dutch in military terms if WNG was threatened, yet he was hopeful that something could be done to rally public opinion for the Dutch so that they would remain firm in their conviction to retain WNG.<sup>189</sup> Casey believed it was time for Australia to 'make up its own mind as to how far we are prepared to go' in regard to supporting Dutch retention of WNG.

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<sup>185</sup> Goldsworthy, op cit, p. 213.

<sup>186</sup> Cabinet Minute for Decision No. 1402, 3 June 1958. NAA, A1838, TS 3036/6/2/2.

<sup>187</sup> Submission for Cabinet, 8 July 1958. Ibid.

<sup>188</sup> Ibid, p. 4.

<sup>189</sup> Ibid, p. 5.

The cabinet's response to Casey's submission was mixed. Menzies continued to support the Dutch claim to WNG, stating that they could not 'be allowed to stew in their own juice', but his only contribution to the debate was to suggest that the US constituted the only avenue for deterring the Indonesians from taking aggressive action.<sup>190</sup> There were those who believed that, if WNG was in fact essential to Australian security, Australia should be prepared to 'go the whole hog' to assist the Dutch. Although Casey agreed with this line of thinking in theory, he rejected this proposition on the grounds that, according to Australia's Chiefs of Staff, Australia had very little to offer the Dutch in terms of military support. Casey was not prepared to risk Australia's burgeoning relationship with the US to aid the Dutch. He told the Dutch Ambassador that proposals for closer military planning and ties between Australia and the Netherlands were subject to consultation with the US, as Australia's defence planning was dependent on major allies, of which the US was the most prominent.<sup>191</sup> Although the Ambassador believed that Casey's response suggested that the Netherlands would 'stand alone', Casey claimed that if WNG was attacked that US support would be provided and therefore Australian support would follow.<sup>192</sup> Casey promised to use Australia's 'special relationship' with the US as a means of promoting the Dutch cause but would not commit to the use of military force without US acquiescence. Menzies reiterated Casey's case in his own meeting with the Ambassador, suggesting that the US needed to be involved and that they should be encouraged to 'lay a cool and warning hand on the Indonesian brow'.<sup>193</sup> The sentiments expressed by Menzies and Casey show that Australia's support of the Dutch was, at least to some degree, showing signs of wavering.

It is therefore clear that Australia's increasingly close relationship with the US in regard to policy towards Indonesia had forced a reassessment of support for the Dutch in WNG. The loss of the rebellions and the growing strength of the Indonesian military, supplemented by US aid, had brought Casey and the Australian Government to the conclusion that Australia and the Netherlands could not stand alone in their efforts to retain Dutch sovereignty over WNG. Despite previous efforts to strengthen Dutch resolve, Australia was openly entertaining the prospect of refraining from

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<sup>190</sup> Letter from Casey to Tange, 9 July 1958. *Ibid.*

<sup>191</sup> Letter from Casey to Menzies, 11 July 1958. NAA, M2576, 39, pp. 2-3.

<sup>192</sup> *Ibid.*, p. 4.

<sup>193</sup> Letter from Menzies to Casey, 14 July 1958, NAA, M2576, 39, p. 1.

involving itself in WNG if US support could not be ensured. Casey's, and the government's, policy was in a state of transition during 1958 which had been shaped by external circumstances. It seems clear that Casey was eager to maintain the Dutch presence in WNG, but he would not do this at the expense of rupturing Australia's relationship with the US. While much of Casey's policy had revolved around the need to nurture closer ties with Australia's closest neighbours in Asia, in this instance he was also driven by the need to retain American interest in the region.

*Friendly and neutral: Submission by Casey and McBride, August 1958.*

Casey's commitment to closer ties between Australia and Indonesia was further illustrated in a submission delivered to cabinet by himself and the Minister for Defence, Phillip McBride.<sup>194</sup> Casey again outlined the advantages and disadvantages of Australia's existing policy in terms similar to those he had used before. The advantages to Dutch retention revolved around the fact that, in legal terms the Dutch were entitled to retain sovereignty and the belief that Australia's administration of the eastern region of New Guinea would be better accomplished with the Dutch continuing to administer WNG.<sup>195</sup> Casey also identified the Dutch commitment to eventually offer self determination to the indigenous inhabitants of WNG as a further reason why Dutch sovereignty was more appropriate. On the other hand, Casey believed that the direct friction the issue was causing between Indonesia and Australia was paramount among the disadvantages of supporting the Dutch.<sup>196</sup> However, he reasoned that efforts to prevent Indonesia from becoming communist would be advanced if the contentious issue of WNG was removed from the national political agenda. Furthermore, Casey was not convinced that the Dutch appetite to retain WNG remained strong, and that Australia's position would be compromised by it having backed the losing side. It is therefore clear that Casey continued to question Australia's support of the Dutch in WNG.

Nevertheless, it is the sentiments expressed by McBride and the Defence Department which demonstrate the degree to which Australia's policy was under reassessment. While Spender had always pointed to the crucial importance of WNG to the defence

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<sup>194</sup> See Submission No. 1312, Netherlands New Guinea and Indonesia, which was presented to Cabinet on 13 August 1958. NAA, A1838, 696/3/9.

<sup>195</sup> Ibid, p. 2.

<sup>196</sup> Ibid, p. 3.

of Australia, the growing potency of the Indonesian military had led the Defence Department to now place greater importance on the maintenance of positive relations between Australia and Indonesia.<sup>197</sup> McBride still considered WNG to be important, particularly in the event of Indonesia becoming communist, which would result in WNG being communist controlled, but he wished to emphasise the ‘great importance’ to Australia’s regional defence of retaining a ‘friendly and neutral Indonesia’. He was particularly aware that, despite Indonesia’s short term limitations, its military capability would eventually vastly exceed the prospective size of Australia’s defence forces. Most pointedly, McBride argued that Australia’s continued support of the Dutch risked permanently alienating Indonesia and he assessed that

If Netherlands New Guinea could be effectively neutralised and removed from international controversy, this might be to our long term military advantage as against the uncertainty of continued possession by the Dutch.<sup>198</sup>

Evidently, the increasing prominence of the Indonesian military had forced Australia’s Defence Department to adopt the view that cordial relations between Australia and Indonesia outweighed the strategic importance of keeping WNG in the possession of the Dutch. While Casey had continually highlighted the need to nurture closer ties between Australia and Indonesia, it seems that circumstances had finally forced McBride and his department to concur with their counterparts at External Affairs. This was further emphasised by the suggestion that the External Affairs Department, in conjunction with the Departments of Defence and Territories, should undertake a confidential study of proposed alternatives to Dutch administration of WNG.<sup>199</sup> Yet, despite the conclusion being reached by both Casey and McBride that Australia should encourage closer ties with Indonesia, they still recommended that Australia should, for the time being, continue to be directed towards retaining Dutch sovereignty over WNG.<sup>200</sup> Furthermore, Australia should ‘vigorously’ pursue cooperation between its territory in East New Guinea and its Netherlands neighbours. Therefore, despite Casey and McBride’s greater focus on Australian-Indonesian relations they clearly believed that the *status quo* could be maintained, at least in the

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<sup>197</sup> Ibid, pp. 7-8.

<sup>198</sup> Ibid, p. 13.

<sup>199</sup> Ibid, p. 15.

<sup>200</sup> Ibid, p. 14.

short term. Irrespective of the seeming ambivalence of the conclusions reached by Casey and McBride, it is still apparent that Australia's policy towards WNG was in a state of transition. The decision to deny military support to the Dutch in the event of an attack by Indonesia on WNG, unless the US moved first, indicates that there was a growing opposition to Australia continuing to adopt an isolated stance in regard to WNG.

Cabinet was reluctant to adopt the proposals made by Casey and McBride. Menzies remained adamant that Australia's territory in New Guinea was vital to Australia's defence and that it was therefore imperative to keep WNG out of the possession of a 'hostile power'.<sup>201</sup> Menzies also rejected the idea that Australia could bluntly deny the Dutch military support, believing that Australia's strong moral support of the Dutch had been crucial to their continued presence in WNG and that any perceived decrease in support could irreparably damage Dutch confidence. Menzies therefore believed that Casey should politely tell the Dutch that it was unwise to push their request for military assistance 'too hard'.<sup>202</sup> He did not want Casey to give the impression that military assistance was out of the question, he simply wanted him to impress upon the Dutch the need to gain US support while continuing efforts to pacify the Indonesians. Menzies also rejected the notion that Australia should simply defer to US judgement on the matter, as he was of the opinion that the US would be unlikely to support Australia and the Dutch in a military sense.<sup>203</sup> Menzies felt that it was necessary for Australia, through Casey, to attempt to subtly encourage the Dulles and his counterparts to alter their policy. Menzies wished Casey to impress upon the US the fact that any attack by Indonesia would constitute aggression and that this situation should be avoided at all costs. Furthermore, Menzies asked Casey to put it to the Americans that they should sponsor a resolution in the UN which would deem that any attack on WNG would constitute aggression.<sup>204</sup> Menzies suggested that a comparison could be drawn between the US's promise to defend Formosa in the event of attack and Australia's need to defend New Guinea. Menzies was of the opinion that Australia's 'interest in the integrity of New Guinea was greater than the United

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<sup>201</sup> Cabinet Minute, Decision No. 1526, 13 August 1958. NAA, A1838, TS 3036/6/2/2, p. 2.

<sup>202</sup> Ibid, p. 3.

<sup>203</sup> Ibid, p. 2.

<sup>204</sup> Ibid, p. 3.

States' interest in the integrity of Formosa'. Menzies hoped that an appeal along these lines would be understood by US officials.

Subsequently, cabinet endorsed Menzies proposals, agreeing that Casey should take the suggested approach in his imminent discussions with the representatives of the US, the UK and the Netherlands. Menzies sought to commence the process of influencing the US to alter its policy during discussions with the US Ambassador, W.J. Sebald. Menzies suggested to Sebald that the US should take care not to build up the 'aggressive capacity' of Indonesia, and he also raised his proposal of a US resolution at the UN.<sup>205</sup> Menzies wished Sebald to understand that Australia did not want to be forced to take a course which would be viewed unfavourably by the US Administration as this would be an 'outstanding calamity'. However, Menzies expressed concern that such a situation could arise due to the 'irresistible Australian public opinion' that would develop in the event of an attack upon the Dutch in WNG. As he had proposed, Menzies referred to the US situation in Formosa as a precedent. Thus, the process of attempting to gain US support for the Dutch in WNG had begun, which suggests that weakening of Australian support for the Dutch had been successfully put aside.

Australian fears that the Dutch were losing interest in retaining sovereignty over WNG were confirmed during Casey's talks with the Dutch Foreign Minister, Joseph Luns, in the Netherlands. Luns told Casey that there was 'growing soul-searching' within Dutch politics on the issue.<sup>206</sup> Luns felt that more needed to be done to reassure his countrymen that staying in WNG was the right option. He proposed that greater cooperation between the two territories in New Guinea should be encouraged, with the involvement of the native population. Luns felt that this would give the impression that the 'two halves of New Guinea were facing towards each other instead of outwards', and would appease the general population of the Netherlands. Casey promised to have Luns' proposal considered. Although Luns did not ask Casey for an assurance of military aid, he did impress upon Casey the importance of the Dutch not being 'left alone' in the event of an Indonesian attack. Luns believed that the Dutch would only hold out for two weeks in the face of a sustained attack and he

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<sup>205</sup> Note by the Prime Minister, 27 August 1958. NAA, M2576, 39, p. 2.

<sup>206</sup> Casey diaries, 29 August 1958. NAA, M1153, 49E.

suggested that even a token representation by Australian troops would be welcomed. In effect, Luns was implying that a lack of support from Australia would inevitably lead to the Dutch relinquishing their hold on WNG. Casey responded to this by stressing the importance of attempting to restrain the Indonesians. Casey indicated that he would use his influence with both the Americans and the Canadians to try to convince them to deter the Indonesians from taking aggressive action.

In the following weeks Casey raised the issue with Canada's Prime Minister, J.G. Diefenbaker, and Dulles at the US State Department. With a tour of Asian Commonwealth countries imminent, Casey asked Diefenbaker to find the appropriate opportunity during his time in India to impress upon Nehru the importance of restraining the Indonesians.<sup>207</sup> Casey hoped that the Indonesians might be swayed if appeals were being made by fellow Asian nations. In the State Department, Casey again outlined Australia's position on the issue while appealing to Dulles to use all of his influence to deter the Indonesians from using force.<sup>208</sup> Dulles told Casey that the use of force to settle issues of this type 'should not be tolerated', and he agreed that it would be disastrous if Indonesia was to gain control of WNG in the present climate. Dulles decreed that if WNG was attacked, the US would 'throw its full support' behind efforts to defend the territory.<sup>209</sup> He acknowledged that no constitutional or legal basis for US support existed but he promised that the US Government 'would find ways of being helpful'. Dulles identified economic sanctions against Indonesia and logistical support for the defenders of WNG as two ways in which the US could be of assistance. Dulles said that he was open to the idea of pressing Sukarno to refrain from using force but he was unsure how well received such an appeal would be. Casey responded that, although it would be necessary to rely on Sukarno's word, this would be better than nothing.

Three weeks after this meeting, Casey again raised the issue with the Americans during an ANZUS Council meeting. In this meeting Dulles told Casey his opinion that the danger faced by Australia was 'more that the Dutch would pull out than that

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<sup>207</sup> Casey diaries, 6 September 1958. NAA, M1153, 49E.

<sup>208</sup> Cablegram from Australian Embassy in Washington to the Department of External Affairs, 9 September 1958. NAA, A1838, TS, 696/3/2, part 4, p. 4.

<sup>209</sup> *Ibid*, p. 5.

Indonesia would attack'.<sup>210</sup> More pointedly, Dulles asserted that the US could 'help a country which was fighting for itself but could not help a country that did not resist on its own behalf'. Casey asked Dulles if the US could provide the Dutch with some encouragement which might prevent the weakening of their resolve. Dulles said that he had told Luns that the US would be 'as helpful as possible in resisting attack'. Luns also subsequently received reassurance from Eisenhower, who told him that he had 'been a military man too long not to know that New Guinea must be kept in Western hands'.<sup>211</sup> It therefore appears that Casey's efforts to gain American support for the Dutch in the event of an attack were proving successful.

*Riding two pretty difficult horses: Casey and McBride's continued support of Indonesia.*

With US support for the Dutch seemingly assured, Casey and McBride turned their attention to strengthening Australia's relationship with Indonesia. On 9 October, McBride wrote to Casey about press speculation in the preceding weeks which, combined with deliberate Dutch policy, had effectively placed Australia in the position of being Indonesia's 'main adversary' on the issue of WNG.<sup>212</sup> McBride believed that American assurances that they would be averse to the use of force by Indonesia allowed Australia some latitude to criticise the Dutch without fear of promoting an Indonesian takeover of WNG. McBride wanted to avoid being 'pushed into policies which will breed real hostility in Indonesia'. McBride suggested that Australia should openly recognise Indonesia's need of arms for internal security purposes, so as to quell the suspicion that Australia had attempted to suppress the supply of arms. Furthermore, he believed that Australia could justifiably inform the Dutch that it no longer could be relied upon to act as a 'party principal' in the dispute over WNG.

Casey expressed similar concerns when replying to McBride's message. Casey was also concerned by the growing tendency for Australia and Indonesia to be placed in 'opposite camps', and he had informed Luns of Australia's need to maintain friendly

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<sup>210</sup> Casey diaries, 1 October 1958. NAA, M1153, 49E.

<sup>211</sup> Casey diaries, 6 October 1958. NAA, M1153, 49E.

<sup>212</sup> Cablegram from McBride to Casey, 9 October 1958. NAA, A1838, TS 696/3/2, part 4.

relations with Indonesia.<sup>213</sup> While Casey was worried about the adverse affect Australian activities were having on Indonesia, he remained aware of the need to retain the Dutch in WNG. He did not wish to commit to any course which might 'cut across Dutch bows'. Casey faced a dilemma, in that he considered that Australia was 'trying to ride two pretty difficult horses' in its policy on WNG. On the one hand, he wished to give the Dutch sufficient encouragement to make them stay in WNG, while on the other hand he wanted to avoid making Indonesia Australia's enemy. Casey could not see any clear cut answer to the problem, and he envisaged that there would be many 'difficulties and embarrassments' for a long time to come. He believed that Australia would have to do some zigzagging on the issue in future.

It is clear that Casey and McBride still harboured hopes that Australia and Indonesia could develop an amicable relationship despite the Australian Government's decision to more heavily support the Dutch position. However, it is also apparent that McBride's commitment to fostering relations with Indonesia was stronger than Casey's. Casey still appeared to be hedging his bets on the issue, hoping that Australia could navigate a course which would avoid either side of the conflict from being offended. Casey's attitude in this instance bears similarity to his earlier policy of 'cold storage', where he tried to avoid insulting either side of the dispute by effectively ignoring the issue. While it is evident that Casey was keen to promote closer ties between Australia and Indonesia, it is also obvious that he continued to subscribe to the belief that the Dutch should retain sovereignty over WNG. Yet, Casey's commitment to increasing friendly relations between Australia and Indonesia was foremost in his thoughts when he supported the suggestion that the Indonesian Foreign Minister, Subandrio, should visit Australia in early 1959. Casey urged that he and McBride should think of 'one or two friendly gestures' which could be made to Subandrio during his visit.

*Growing Concerns: Australia's changing attitude to WNG, November 1958-January 1959.*

In the lead-up to Subandrio's visit to Australia, there had been a growing sense that Indonesia was becoming more inclined to take aggressive action over WNG. In

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<sup>213</sup> Cablegram from Casey to McBride, 10 October 1958. Ibid.

November 1958 Australia's Ambassador to Indonesia, L.R. McIntyre, reported that Indonesia was undertaking a number of activities which suggested that, despite private reassurances, it might resort to using force to obtain its objective in WNG.<sup>214</sup> McIntyre noted reports which suggested that Indonesia was seeking to acquire unused oil storage facilities from Shell in Ambon, that there had been various deliveries of arms and vessels including a submarine, and that intensive efforts were being made to obtain parachutes, including from Soviet forces. McIntyre was unconvinced by the validity of these reports; however, he felt that if they were accurate that the Indonesian intention to use force to reclaim WNG was becoming more likely. In addition to this, the department was becoming disturbed at the growing inconsistency in Indonesia's rhetoric on the issue, particularly the gulf between Sukarno's inflammatory internal statements and Subandrio's outward reassurances that force would not be considered.<sup>215</sup>

Casey was also receiving worrying information from Dulles who was becoming more inclined to think that the Netherlands resolve on the issue was weakening.<sup>216</sup> Dulles felt that the Dutch might soon conclude that retaining WNG was not worth the financial cost or the continuing hostility of the Indonesians. More ominously, on 5 January cabinet discussed intelligence reports which suggested that an Indonesian offensive against WNG could commence as early as March.<sup>217</sup> While cabinet speculated that these reports could be a product of tactics on behalf of either the Dutch or the Indonesians, it was determined that the issue of WNG should not 'obscure the fact that Indonesia is almost certainly of greater defence significance'. Furthermore, the statement that the need to keep Indonesia 'non-communist and friendly cannot be overstated' shows that the increasing support and influence of the Communist Party in Indonesia was now heavily influencing US and Australian thinking. Cabinet had come to accept the fact that it would be 'unwise to base Australian policy on the belief that the Dutch will stay in New Guinea indefinitely or even for very much longer'.<sup>218</sup> It is therefore clear that cabinet had now come to

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<sup>214</sup> Letter from McIntyre to Casey and Tange, 17 November 1958. NAA, A1838, 3036/6/1A.

<sup>215</sup> Savingram from the Department of External Affairs to the Australian Embassy in Washington, 19 November 1958. NAA, A1838, TS 696/3/2 part 4, p. 2.

<sup>216</sup> Cablegram from Casey to the Department of External Affairs, 13 October 1958. NAA, A1838, TS 696/3/2 part 4.

<sup>217</sup> Background notes to Cabinet Decision No. 17, 5 January 1959. NAA, A1838, TS 3036/6/2/2, p. 1.

<sup>218</sup> *Ibid.*, p. 2.

accept two facts that Casey had been aware of for some time, namely that relations with Indonesia were of the utmost importance to Australia and that Dutch resolve on WNG was wavering.

On 15 January 1959, Casey elaborated on some of the points raised in cabinet in a written appreciation of the issue. Casey believed that it was imperative to swiftly inform the Dutch of Australia's intention not to provide military support in the event of an attack on WNG.<sup>219</sup> He was adamant that the US would only offer the Dutch limited support if WNG was attacked and Casey surmised that the Dutch might subsequently completely reassess their position in WNG, in which case Casey wished there to be an atmosphere of confidence between Australia and the Netherlands so that Australia would be consulted about any proposed political solutions contemplated by the Dutch.<sup>220</sup> He proposed that it would be in the best interests of both the Dutch and the Indonesians to conduct any negotiations outside of the UN. Casey reiterated his belief that 'no-one can really visualise the Dutch remaining in control of WNG...for more than a relatively few years'.<sup>221</sup> Casey had evidently reached the conclusion that the time was fast approaching when the issue of WNG would need to be resolved once and for all. His increased urgency came as a direct result of the apparent willingness of Indonesia to use force to claim WNG; a prospect which he claimed had not been anticipated as 'even a remote possibility' until the preceding twelve months.<sup>222</sup> Casey was therefore determined to attain two goals during Subandrio's visit. He wished to do everything possible to deter Indonesia from using force, and he wanted to continue to promote Australia's support of Dutch sovereignty so as to reinforce Dutch resolve, at least in the short term.<sup>223</sup>

On 30 January, Casey presented his case to cabinet, and contended that ways of 'lessening, or appearing to lessen, the tension between Indonesia and Australia', should be found during Subandrio's visit.<sup>224</sup> However, he was also keen to avoid a situation whereby Subandrio might try to 'drive a wedge between ourselves and the

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<sup>219</sup> See Casey's 'Appreciation of the Indonesian-New Guinea Situation', 15 January 1959. NAA, M2576, 39.

<sup>220</sup> Ibid, p. 1.

<sup>221</sup> Ibid, p. 2.

<sup>222</sup> Ibid, p. 4.

<sup>223</sup> Ibid, pp. 2-3.

<sup>224</sup> Cabinet Submission 30, 30 January 1959. NAA, A1838, TS 3036/6/2/1 part 1, p. 1.

Dutch'. This underscores Casey's ambivalence: while he ardently advocated closer ties between Australia and Indonesia, his devotion to Dutch sovereignty in WNG had not diminished. Yet, despite Casey's continued support of the Dutch, his constant appeals to his colleagues to improve relations between Australia and Indonesia were finally having the desired effect. The cabinet's response to his submission was that Australia should be prepared 'as far as possible' to contemplate meeting, 'any proposals by Dr. Subandrio for assistance to Indonesia or the improvement of Australian/Indonesian relations'.<sup>225</sup> However, as Casey suggested, this endeavour to appease Subandrio would not extend to altering Australia's support for the Dutch in WNG.

*A matter for the Netherlands and Indonesia: Subandrio's visit to Australia, 1959.*

From the outset Menzies took charge of the discussion. Menzies made Australia's position clear during Subandrio's first official meeting with Australian ministers on 11 February. Menzies contended that too much attention had been focused on the one point of difference between Australia and Indonesia at the expense of discussing other areas of interest and agreement.<sup>226</sup> He therefore only briefly addressed the issue, stating that Australia legally recognised Dutch sovereignty over the territory. However, in an important departure from previous statements and policy, Menzies stated that the settlement of the problem was 'a matter for the Netherlands and Indonesia'.<sup>227</sup> More pointedly, Menzies suggested that Australia should not be considered to be one of the 'principals' to the dispute, and that the dispute should not be given 'exaggerated importance in Australian/Indonesian relationships'. From the very beginning of the Menzies Government, during Spender's tenure, there had been a constant emphasis on the importance of Australia being involved in any negotiations on the matter. Spender had persistently argued, even as recently as during the debates in the UN, that Australia had a vital interest in the future of WNG. While maintaining support for Dutch sovereignty, Menzies had now chosen to diminish Australia's involvement in the issue. While Menzies' decision was influenced greatly by the evolving situation in Indonesia, circumstances obliged the Australian Government to confront its relations with Indonesia. While Casey's advice had previously been

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<sup>225</sup> Cabinet Minute, 5 January 1959. NAA, A1838, TS 3036/6/2/2, p. 1.

<sup>226</sup> Cabinet Minute, Meeting With Dr. Subandrio, 11 February 1959. NAA, A1838, TS 3036/6/2/2, p. 1.

<sup>227</sup> *Ibid*, p. 2.

ignored and had not led to this change of heart, it is arguable that his policy of encouraging closer relations between the two countries had finally been found to have merit.

Subandrio's response to Menzies' statements offered some comfort to the Australian Government. Subandrio claimed that his government had reached the conclusion that 'no territorial dispute can nowadays be settled by the use of force', and he stated that Indonesia did not wish to create a situation where it would be opposed by the UK and the US, as well as Australia and the Dutch.<sup>228</sup> Casey later identified Australia's fear of any Indonesian intention to use force to resolve the dispute and urged Subandrio to publicly emphasise that this was not Indonesia's intention.<sup>229</sup> Thus, while Casey and Menzies were making reassuring statements to the Indonesian delegation, they were hoping to receive similar reassurances in return. Casey clearly anticipated that his and Menzies' positive approach to Subandrio would result in the Indonesians publicly promising to avoid any aggressive effort to acquire WNG. Although the Australian Government was making a significant concession to the Indonesians by offering to keep out of the dispute, Casey believed that the benefits to Australia of making these reassuring statements would be twofold, in that the Dutch would be protected while Australia's relations with Indonesia would be strengthened. This further illuminates Casey's attempt to juggle vastly conflicting goals in the WNG dispute, between the nation's need to maintain Dutch sovereignty and his own desire to build Australia's relationship with its nearest neighbour.

The extent to which Casey and the External Affairs Department were seeking to gain considerable reassurances from the Indonesian delegation was highlighted by Tange's response to the cabinet meeting. Tange expressed concern that Subandrio might publicly state that Australia only supported the Dutch in a legal sense, had denied that it was a party principal in the dispute, and that Australia would not raise objections to any proposed negotiations between Indonesia and the Netherlands.<sup>230</sup> Tange recommended that in the next meeting with Subandrio, Menzies and Casey should convey Australia's disagreement that the incorporation of WNG into Indonesia was

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<sup>228</sup> Ibid, p. 4.

<sup>229</sup> Ibid, p. 7.

<sup>230</sup> Draft External Affairs document about Subandrio's visit written by Tange on 11 February 1959. NAA, A1838, TS 3036/6/1, part 1, p. 2

suitable for the welfare of the native inhabitants of the territory, considering Australia's continued insistence that the inhabitants of New Guinea be given the right to determine their own future. Furthermore, greater importance should be placed on Australia's opposition to the use of force to resolve the dispute.<sup>231</sup> Tange also believed that the opportunity should be seized to express Australia's unease at the growing significance of communism in Indonesia, and that any profession of friendship between the two countries should be tempered by stating that Australia wished Indonesia to take a more authoritative stance against communism. Tange concluded that cabinet should go no further towards providing Subandrio with 'the gleam of hope' until sufficient corresponding reassurances had been made by the Indonesian Minister.<sup>232</sup> It is therefore clear that, although Casey and Menzies were seeking to manufacture a closer relationship between Australia and Indonesia, they expected to receive positive reassurances in return. Tange suggested that a Joint Communiqué should be sought so that any attempts by Subandrio to exploit his meetings could be subverted.

Tange's appeal to Casey, combined with Casey's seeming lack of involvement in the cabinet discussion again raises the question of how much input Casey was having in the formulation of policy. The apparent diminishment of Casey's role in External Affairs was becoming more pronounced. Tange was taking a prominent role in assessing how the government should respond to the Indonesians and was providing more detailed analysis than his Minister. Furthermore, Menzies conducted the vast majority of the discussion in cabinet and was the most prominent voice in expressing Australia's position on the issue. Casey was largely restricted to making subsidiary comments. Menzies' leading role in these discussions is of interest, in that it reveals the extent to which Casey had become sidelined as Minister. Had the visit been by a foreign dignitary of similar standing to Menzies his prominence might have been understood. However, Subandrio and Casey were both foreign ministers, and thus Casey's name appeared on the subsequent communiqué released with Subandrio. This further strengthens the argument, also addressed in the previous chapter, that by the end of the 1950s Casey had been reduced, to a large degree, to being nothing more than the government's mouthpiece on External Affairs. In the aftermath of the Suez

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<sup>231</sup> Ibid, p. 3.

<sup>232</sup> Ibid, p. 4.

crisis, and following Casey's failed bid to become deputy leader, Menzies became more and more dominant in the field of External Affairs. This again demonstrates that Casey was not as heavily involved in the development of Australia's foreign policy as would be expected of a Minister for External Affairs. He again allowed himself to be guided by stronger voices within the government and his department.

*Joint Communiqué, 15 February 1959.*

In accordance with Tange's views, Menzies tempered his sentiments during the follow-up meeting with Subandrio by suggesting that, although Australia did not regard itself to be a party principal in the dispute, it considered that it was a 'very interested by-stander'.<sup>233</sup> Menzies also stressed Australia's ambition to allow the native population of the whole of New Guinea to determine their own future. Menzies rejected Subandrio's request for Australia to openly encourage negotiations between Indonesia and the Netherlands. However, he did assert that Australia would not 'stand in the way of any new arrangements' and that

Australia respects sovereignty as it now exists and would respect immediately and without ill-will any altered sovereignty if the alteration were reached by the proper process of law, which means to Australia either by adjudication or by agreement freely and fairly arrived at.<sup>234</sup>

Subandrio attempted to appease the Australians by stating that Indonesia would not take the issue to the UN again, and that he did not expect Australia to urge the Netherlands to negotiate.<sup>235</sup> Furthermore, Subandrio suggested that the onus for proposing negotiations lay with the Dutch, and that Indonesia was 'not now in a hurry for negotiations'. Subandrio claimed that his country was more concerned with efforts to 'lessen the emotional public feeling' on the issue which had arisen in both Indonesia and Australia. Casey raised the issue of communism, recommending that Sukarno should be advised to make a public pronouncement condemning communism. This exchange between Menzies, Casey and Subandrio indicates that the Australian Government was attempting to gain political mileage out of its softened

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<sup>233</sup> Cabinet Minute, 13 February 1959. NAA, A1838, TS 3036/6/2/2, p. 2.

<sup>234</sup> Ibid, p. 5.

<sup>235</sup> Ibid, p. 3.

attitude towards the WNG dispute. Subandrio's statements, although no doubt couched in political rhetoric, suggest that this effort was succeeding.

It is evident that Menzies and his government had decided that negotiations between Indonesia and the Netherlands were a viable alternative to prolonging the international tension caused by the dispute. While Casey had spent the early part of the decade trying to get all sides of the argument to ignore the issue, through his 'cold storage' policy, circumstances had now necessitated that negotiations had to be condoned to avoid any heightening of the dispute. However, the Australian Government's insistence that it would only support, rather than openly encourage, negotiations illustrates that the hope remained that the *status quo* could be maintained for some time longer. This is particularly true considering the government's sustained efforts to retain close ties between WNG and the Australian territory in the East, and its continued belief that the Dutch would retain sovereignty. While circumstances had necessitated a more responsive approach to Indonesia, it is evident that the Menzies Government hoped to keep the issue on ice for some time longer.

At a subsequent meeting between members of the External Affairs Department and the Indonesian delegation at Casey's property in Berwick, the Indonesians asked that there be only one reference to Australia's support of the Dutch and that there be no reference to Australia's objective of granting self determination to the native inhabitants of New Guinea.<sup>236</sup> In regard to Australia's continued support of the Dutch, Casey told Subandrio that administrative cooperation between the Australian and Dutch territories in New Guinea would continue. Subandrio again stated that Indonesia was not ready for negotiations and, even more interestingly, he suggested that if the Dutch proposed negotiations at the present time that Indonesia would have to decline due, in part, to the imminent elections in the Netherlands. While Subandrio's statements might be regarded to have been political rhetoric designed to get the result he was after, it is still apparent that Casey was receiving the feedback that he sought, in that Indonesia's response to the dispute seemed to be more tempered, both in terms of negotiating and in terms of aggressive intent.

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<sup>236</sup> See notes from a meeting at Berwick on 14 February 1959, compiled by Plimsoll. NAA, A1838, TS 3036/6/1, part 1.

On 15 February, the joint communiqué was delivered to the press. It explained that the differences of opinion which existed between Australia and Indonesia on the issue of WNG remained evident, with Australia ‘recognising Netherlands sovereignty and recognising the principle of self-determination’.<sup>237</sup> It is therefore clear that, despite Indonesian appeals, Australia’s dedication to self-determination was noted. In addition to this, Australia’s position on the dispute was clarified in the statement that,

...if any agreement were reached between the Netherlands and Indonesia as parties principal, arrived at by peaceful processes and in accordance with internationally accepted principles, Australia would not oppose them.<sup>238</sup>

Subandrio therefore achieved his objective of getting Australia to renounce its vital interest in the dispute. Menzies and Casey had maintained during discussions that Australia only endorsed negotiations, rather than endorsing Indonesia’s claim. However, the above statement gives the distinct impression that, if Indonesia and the Netherlands could agree to terms, Australia would be satisfied with any outcome. In this instance it appears that Subandrio had gained a significant concession from the Australians, in that he could argue that Australia would support an Indonesian claim if agreement could be reached with the Dutch.

Yet, while it could be argued that Subandrio had achieved the better result out of the communiqué, it is still apparent that Casey realised his objective, in that the communiqué also included the stipulation that the dispute would be resolved by ‘peaceful means’. Furthermore, it was stated that Subandrio and Casey shared the view that ‘force should not be used by the parties concerned in the settlement of territorial differences’. Casey had therefore successfully managed to get the Indonesians to publicly deny that they would resort to the use of force to resolve the conflict. The constant fears of an Indonesian offensive against WNG which had troubled the Australian Government, and their Western counterparts, in the previous months had been successfully allayed. In addition to this the communiqué also raised the prospect of a formal agreement being signed between Australia and Indonesia which would encourage closer ties between the two countries. It was concluded that

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<sup>237</sup> Joint announcement by Subandrio and Casey dated 15 February 1959. NAA, A1838, TS 3036/6/1, part 1, p. 2.

<sup>238</sup> Ibid, p. 2.

the visit of Dr. Subandrio had significantly contributed to the ‘fostering of relations of amity and better understanding between Australia and Indonesia’.<sup>239</sup> As Casey’s tenure as Minister for External Affairs came to a close it appeared that he had successfully managed to accomplish the policy on WNG that he had adopted from the very beginning, in that he had ensured a more productive relationship between Australia and Indonesia, while apparently reducing the threat posed to WNG by Indonesia, which in his eyes would have increased the likelihood that the Dutch could retain sovereignty.

*Repercussions of the joint communiqué.*

However, despite the assurances against the use of force contained in the communiqué, the Dutch Ambassador, Lovink, wrote to Casey to convey the Netherlands’ unease at the content of the communiqué.<sup>240</sup> Lovink was particularly concerned that it implied that Australia would accept any arrangements made between the Netherlands and Indonesia in advance, which led him to conclude that ‘Australia is indifferent to the fate of Netherlands New Guinea’. Lovink was concerned that the sentiments expressed in the communiqué weakened the Netherlands Government in internal political terms, and could lead to an alteration of Netherlands Government policy on the dispute. He urged Casey to publicly address the issue in similar terms to those used privately by Menzies when speaking to Subandrio, where the Prime Minister detailed more thoroughly why Australia would not openly encourage negotiations. Lovink wished Casey to make it clear that Australia maintained its devotion to the concept of developing the entire island of New Guinea with the intention of eventually offering the inhabitants the right of self-determination.

Casey responded to Lovink by asking if the Ambassador was ‘not pleased to see the reference that Indonesia would not resort to force’.<sup>241</sup> Lovink replied that, while this pleased him, he did not attach much importance to the statement, as he had never believed that Indonesia would resort to force in an ‘openly identifiable’ sense, instead contending that Indonesia would be more inclined to either ‘stage manage’ an incident or launch an apparently unauthorised private attack. He did consider that the

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<sup>239</sup> Ibid, p. 3.

<sup>240</sup> Letter from Lovink to Casey, 19 February 1959. NAA, A1838, TS 3036/6/1, part 1

<sup>241</sup> James Plimsoll compiled a record of the conversation between Casey and Lovink on 19 February 1959. NAA, A1838/276, TS 3036/6/1 part 1.

statements made by Subandrio adequately protected WNG against this contingency, asserting that ‘we could never rely on anything the Indonesians said’ and that the Indonesians ‘broke their undertakings whenever it suited them’.<sup>242</sup> Casey remained adamant that the communiqué represented a significant achievement, suggesting that it carried a ‘greater weight than anything that had been said hitherto’. Casey reiterated this during a discussion with Japanese Foreign Minister Aiichiro Fujiyama on 25 March, when Casey informed Fujiyama that the talks had ‘helped to clear the air’.<sup>243</sup> It is therefore clear that, despite protests, Casey believed that he had taken a considerable step towards protecting the interests of the Dutch in WNG. This view was subsequently supported by Joseph Luns, who told Casey in September that Casey’s actions, combined with UK and US initiatives, had caused Indonesia to abandon plans to invade WNG during March 1959. Luns was also of the opinion that there would be no attempts by Indonesia to invade WNG in the foreseeable future.

#### *Cabinet Submission, 1960*

Despite the content of the Joint Communiqué with Subandrio, Casey hoped that the Dutch would continue to hold their ground in WNG. This was made clear in an extremely detailed cabinet submission presented to the government in February 1960. This submission would represent the final act undertaken by the External Affairs Department on the issue before Casey’s departure from the portfolio, and further highlights his inability to adopt a decisive position on the issue. This submission determined that the primary objective of Australia’s policy should be, ‘by means short of force’, to prevent Indonesia from having any form of control over any part of WNG.<sup>244</sup> Furthermore, Casey contended that Australia should give the Dutch ‘maximum practicable support and assistance’, although he stopped short of endorsing any military commitments that were not accepted by the US and UK.<sup>245</sup> Casey again urged that efforts should be made to urge the US and UK to promote the Dutch retention of the territory, and proposed that every effort should be made to support the Dutch in the UN.<sup>246</sup> In the event that the US and UK agreed to preventive measures, Casey’s support was more forthright than previously, in that he suggested

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<sup>242</sup> Ibid, p. 2.

<sup>243</sup> Casey diaries, 25 March 1959. NAA, M1153, 49E.

<sup>244</sup> Submission No. 550 entitled ‘The Future of Netherlands New Guinea’ prepared by R.G. Casey, February 1960. NAA, A1838, TS 3036/6/2/1, part 2, p. 1.

<sup>245</sup> Ibid, p. 2.

<sup>246</sup> Ibid, p. 3.

that Australian support for the Dutch ‘could involve action by Australian military forces against Indonesia with or without UN sanction.’ Therefore, Casey was proposing much more intensive support for the Dutch than he had previously.

More importantly, Casey believed that Australia should seek a ‘maximum voice’ in the administration of WNG should the Dutch withdraw, and ‘limit Indonesian opportunities for interference as much as possible.’<sup>247</sup> This gives the distinct impression that, despite the assurances given to Subandrio, Casey still considered that Australia should have a significant say in how the territory would be administered if the Dutch left. Clearly, although Australia may not be a party principal to negotiations between the Indonesians and the Dutch, Australia would be more than just the ‘interested by-stander’ that Menzies had suggested it would be. As in all of his previous statements on the issue Casey wished to ‘do all we can to reduce the damage to our relations with Indonesia’. Therefore, to the very last, Casey sought to sit on the fence to a large degree, hoping that the *status quo* could be maintained while doing as little harm to relations with Indonesia as possible. Despite the apparent move towards Indonesia in the talks with Subandrio, Casey was still adopting similar policies to those which he had encouraged throughout the decade. The seemingly softer line that was prevalent in the joint communiqué was clearly another example of Casey’s attempt to cause as little offence to the protagonists as possible. Rather than having the conviction to adopt one policy and stick to it, Casey sought to placate both sides of the argument which inevitably led to a contradictory policy which, although preventing relations from deteriorating, satisfied neither party.

*Reversal? Spender’s reaction to the joint communiqué.*

Casey’s biggest opponent on this issue throughout the period, Percy Spender, contended that Casey had, through his joint communiqué with Subandrio, initiated the process which would see the Dutch relinquish their hold on WNG within three years of Casey departing office. In his memoir, Spender was scathing in his assessment of the communiqué, considering it to be a retreat and stating that it gave Indonesia ‘the green light to obtain, or extract from the Dutch, by such means as she thought fit,

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<sup>247</sup> Ibid, p. 2.

whatever agreement she could'.<sup>248</sup> Spender argued that, despite government protestations that there had been no change in policy, there had been a change of policy of a major character. In his dealings with Joseph Luns, Spender received the distinct impression that the Netherlands considered the communiqué to represent a complete reversal on Australia's behalf, and that consequently,

The Netherlands could no longer feel any confidence that in its resistance to increasing international pressure, engineered by Indonesia, it would receive any support, public or private, from Australia.<sup>249</sup>

Spender identified the rebellions and subsequent revised military appreciations of Indonesia's capabilities as influencing the change of policy. However, as detailed earlier, he believed that a 'body of opinion' within the department, determined to foster closer relations with Indonesia regardless of the cost, had influenced Casey.<sup>250</sup> Spender had been aware of this school of thought but he was 'not impressed by it'. Spender also identified the exchange between himself, Casey and Myron Cowan at the State Department as being an initial indication of Casey's ambiguous attitude towards Dutch retention of WNG.<sup>251</sup> Spender considered that the joint communiqué was an 'outstanding achievement' for Subandrio, and that it must have greatly assisted Sukarno's efforts to incorporate WNG into Indonesia.

As has been established, Spender's support of the Dutch remained unequivocal, yet he never gave any consideration to Australia's need to engender friendly relations with Indonesia. Spender questioned whether Casey acted alone in his contribution to the joint communiqué, suggesting that the declaration might have come as 'more than a surprise' to cabinet when it was released. However, it has been shown that Menzies and the cabinet were fully aware of the contents of the communiqué and that Menzies himself had significantly contributed to its content. Spender continued to only see Australia's defensive needs in terms of warding off the Indonesians, rather than attempting to conduct cordial relations. Casey had consistently understood that, while maintaining Dutch sovereignty was preferable, it should not come at the cost of

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<sup>248</sup> Spender, *op cit*, p. 294.

<sup>249</sup> *Ibid*, p. 294.

<sup>250</sup> *Ibid*, p. 298.

<sup>251</sup> *Ibid*, p. 299.

injuring Australia's relations with Indonesia. Spender seems to have neglected to take into account what would happen if the Dutch either chose to leave WNG or were forced out. If Australia had been openly hostile to the Indonesians on the subject, as Spender no doubt wished to be, then Australia could eventually find itself faced with a neighbour that felt nothing but enmity towards it. Furthermore, it is clear that Casey and the Australian Government did not believe that they had abandoned the Dutch; they instead considered that they had successfully protected the Dutch by gaining reassurances the Indonesia would not physically attack WNG. As was shown, subsequent discussions with Luns and Casey's last cabinet submission revealed that Australia continued to seek greater ties between the Australian and Dutch territories in New Guinea. While Spender argued that the communiqué represented a reversal, it is evident that Casey in fact considered it to be the culmination of his policy which sought to encourage closer ties with Indonesia while continuing to support Dutch sovereignty.

#### *Conclusion.*

From the very beginning of his time in office, the dispute over WNG presented Casey with a major predicament. He found himself torn between conflicting goals: his wish to retain Dutch sovereignty of the territory was at odds with his desire to engineer closer relations between Australia and its northern neighbours. In the previous chapter, in regard to Australia opening relations with Communist China, Casey faced a clear-cut decision, in that he simply had to argue whether Australia should or should not open diplomatic discourse. Furthermore, Casey was dealing with a nation that, while considered to be sinister, was still somewhat remote in the minds of many Australians. In the case of WNG, he was confronted by a much more impassioned issue which resonated deeply within the psyche of much of the Australian population at the time. In attempting to encourage closer relations with Indonesia, Casey was dealing with a situation where, to appease Indonesia, he would have to somehow satisfy their hunger to acquire a territory that was still considered by many Australians to be a crucial bulwark against attack from Australia's north. The passing of the decade had done little to diminish the importance of New Guinea in the eyes of many Australians. This was confirmed by a US State Department appraisal of the situation in 1960 which stated that the 'Japanese invasion of New Guinea during World War II

is still fresh in Australian minds'.<sup>252</sup> If the issue was still fresh in 1960, Casey was obviously faced with a major battle during the entire previous decade.

The study of the WNG dispute is interesting when contrasted with Casey's conduct on the recognition of China in that this issue placed the majority of the Australian Government in opposition to US policy. While Australia favoured retaining Dutch rule of WNG, the US was more focused on retaining a friendly, approachable and anti-communist Indonesian Government. Unlike the issue of recognition, Casey found himself more drawn to the US perspective on this dispute. In a telling display of foresight, Casey realised the ultimate futility of the Dutch position and agreed that Indonesian stability was crucial to the security of the region. This case therefore provided significant evidence of the flexibility and independence inherent in Casey's foreign affairs policy initiatives. His actions were not dictated by the activities of the US; he was prepared to oppose them when necessary while supporting them when it suited what he considered to be Australia's best interests.

Casey attempted to navigate a course between the two sides of the issue whereby he could placate Indonesia while maintaining and supporting the continuance of Dutch sovereignty over WNG. Casey clearly agreed with assessments that it was safer to keep WNG in Western hands. However, he was not prepared to sacrifice Australia's relations with Indonesia in obtaining this objective. He therefore initially instituted the policy of 'cold storage', which was designed to maintain the *status quo*. When 'cold storage' lost its viability, Casey attempted to convince cabinet that it was necessary to, at least, decrease Australia's support for the Dutch in an attempt to prevent Australia's fragile relationship with Indonesia from fracturing further. As with his submission to cabinet on recognition of Communist China, Casey was again unable to convince his colleagues, through both a lack of conviction and a lack of political skill. As was found in the last chapter, as the decade drew on Casey's influence waned, with Menzies taking a much more prominent role in External Affairs. Only with altered circumstances within Indonesia did the policy Casey had been advocating for much of the decade become viable. Faced by an increasingly hostile Indonesia Menzies, now sharing Casey's belief that relations with Indonesia needed to be

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<sup>252</sup> *FRUS*, vol. XVII, op cit, p. 534.

addressed, manufactured a way, through the joint communiqué, to satisfy the Indonesians while continuing to support Dutch sovereignty. However, Casey could take little credit for this concession to Indonesia. Yet, despite the protestations of individuals such as Spender, Casey never lost sight of the need to conduct friendly, fruitful, relations with Indonesia. The fact that the Dutch still maintained control of WNG and Australia continued to conduct cordial relations with Indonesia at the end of Casey's tenure could be considered to be a success for the Minister. While his policy could be considered, in many respects, to be a case of hedging his bets, his efforts in this instance, when combined with his actions towards Communist China, still illuminate a man who was much more in tune with Australia's place in the post-war world than many of his counterparts.

Although Casey's attempt to apply a more nuanced and diplomatic approach to the issue of WNG could be considered to have been appropriate given the circumstances, it was evident throughout that this method was doomed to failure, particularly given the level of fervour the issue elicited in Indonesia. However, Casey's approach also highlights what was perhaps his greatest flaw – his indecisiveness. While it could be argued that Casey was attempting to engineer a situation whereby both sides of the dispute could be appeased, it is clear that this was a naïve hope. Rather than having the conviction to adopt one side of the argument, as was the case with Crocker and Spender, Casey attempted to play both sides. Casey was clearly influenced by the thoughts of those in the department. As was shown in the previous chapter, Tange was influential in Casey's decision to promote recognition of China. Although Casey had privately adopted the same view, he needed to have support from other individuals before he would act. In the case of recognition of China he was able to be more forthright on the issue due to the greater consensus in the department. However, in the case of WNG, where there was greater diversity of opinion, from strong-willed characters such as Crocker and Spender, Casey found himself less able to authoritatively adopt one side of the issue. His need to be diplomatic permeated his dealings on a departmental level, in cabinet, and on an international scale. During his greatest effort to have the issue addressed, in cabinet in June 1955, he lacked conviction and was unable to sway his colleagues.

Casey was more than capable when it came to conducting personal diplomacy and his ability in this field allowed him to nurture closer, more amenable, ties with Australia's northern neighbours. However he was much less capable when it came to the bureaucratic, administrative and political manoeuvring aspects which were crucial to the successful running of the External Affairs portfolio. As his biographer commented 'he was not tough enough, cunning enough or politician enough to carry the Cabinet with him', on issues such as recognition or how to approach WNG.<sup>253</sup> His attempt to ride 'two pretty difficult horses', rather than having the conviction to adopt one side of the argument, prompted him to adopt a contradictory policy that ultimately led to neither side of the dispute being satisfied.

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<sup>253</sup> Hudson, *Casey*, op cit, p. 288.

### ***CHAPTER 3: THE KEY TO SOUTHEAST ASIA: CASEY AND INDOCHINA, 1951-1960.***

In March 1950, Casey's predecessor Percy Spender argued that Indochina was 'the great present danger point in the South-East Asian area'.<sup>1</sup> The Australian Government had been continuously concerned about the encroaching communist menace to Australia's north and, as previous chapters have illustrated, during the early 1950s concerted efforts had been made to increase United States interest in the Southeast Asian region, exemplified by the creation of the ANZUS Pact. However, during 1954, at a time when Australia was in the grip of the Petrov Affair, Richard Casey was encouraging a course of action which would allow communist forces to gain de facto control of North Vietnam. Furthermore, he urged the Australian Government to abstain from joining the United States in militarily intervening in the conflict between the Communist Viet Minh forces and the French occupying forces. This was despite the fact that Australia had been intensifying its efforts in the previous four years to increase US involvement in the region to Australia's north. This chapter will discuss how Casey came to adopt a stance which, on face value, appeared to be at odds with all that the Menzies Government had previously advocated.

The Indochinese conflict, and the growing need of the Western powers to find a satisfactory settlement, presented Casey with one of his greatest challenges during his time at External Affairs, in particular during the Geneva Conference. This chapter will therefore focus primarily on how Casey and his department approached the conflict, especially his activities in and around the Conference. Furthermore, Casey's attitude toward the settlement and his subsequent moves in regard to the newly established states in Indochina will also be discussed. In examining the latter part of the decade, particular emphasis will be placed on Casey's policy towards South Vietnam. However, the chapter will conclude with discussion of Casey's response to the growing crisis in Laos. This discussion will further highlight the degree to which Casey endeavoured to advocate an independent policy for the Australian External Affairs Department in the 1950s by attempting to establish closer ties between

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<sup>1</sup> CPD, H of R, 9 March 1950, p. 627.

Australia and its nearest neighbours in the Southeast Asian region, and why he, in large part, failed to achieve his ambitions.

*A brief history of the conflict.*

Before discussing the activities of Casey and the External Affairs Department in the 1950s, it is important to first discuss the history of the conflict in Indochina. Following the Japanese occupation during the Second World War, the previous colonial masters of Indochina, France, attempted to reassert its authority over the region.<sup>2</sup> While France was successful, with British assistance, in regaining control of Laos and Cambodia, the situation in Vietnam proved far more complicated, due in large part to the Viet Minh, a nationalist movement led by Ho Chi Minh. Following the withdrawal of the Japanese and the abdication of Vietnamese Emperor Bao Dai on 29 August 1945, Ho Chi Minh declared the independence of the Democratic Republic of Vietnam (DRV). France rejected the new government and set about regaining its lost territory. While France was able to regain a significant foothold in the South, the Viet Minh retained control in the north and, in particular, in rural areas. Thus ensued a stalemate which was only broken when France and the DRV agreed to terms, on 6 March 1946, which recognised the DRV as a ‘free state’ within France’s Indochinese Federation. The French agreed to only remain in the Southern region of Cochinchina, which would eventually be permitted to hold a referendum to ascertain its status. However, France disregarded this agreement and declared a Republic of Cochinchina in the South of Vietnam. Emboldened by apparent divisions within Viet Minh ranks, France commenced a campaign aimed at regaining the northern part of the country. In December the French shelled the northern port city of Haiphong, which forced the DRV to retreat to the mountains. The DRV then began a guerrilla war which formed the basis of the conflict in the region for the next thirty years, with the French holding the cities while the Viet Minh dominated the rural areas.

In the latter part of the decade, with a growing realisation that the conflict could not be decided simply through military means, France sought to find a viable alternative to the DRV which could be installed as the government of Vietnam. It was decided

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<sup>2</sup> For a full discussion of the background of the conflict in Indochina see Peter Edwards with Gregory Pemberton, *Crises and Commitments : The Politics and Diplomacy of Australia’s Involvement in South-East Asian Conflicts 1948-1965*, Allen and Unwin, Sydney, 1992, pp. 72-82. The following is drawn mainly from this source.

that the best solution was to reinstate the previously abdicated Emperor, Bao Dai. With an apparently viable government installed, on 8 March 1949 the French compiled the Elysée Agreement which asserted that France would recognise the independence, within the French Union, of the three states of Indochina – Vietnam, Laos and Cambodia – while maintaining control over areas such as defence and finance. On 14 June 1949, Bao Dai declared the creation of the State of Vietnam, which forced foreign governments to determine whether the new State should be recognised as Vietnam's legitimate government. While the UK and US administrations were sympathetic to France's desire to retain involvement in Indochina, both nations believed the reinstatement of Bao Dai was a risk due in part to the perception that he was nothing more than a playboy. Subsequently, the US adopted a 'wait and see' policy, hoping that Bao Dai could gain a better foothold before any greater commitment needed to be made. However, Ho Chi Minh's appeal in January 1950 for recognition of the DRV as the rightful government of Vietnam drew an immediate positive response from Communist China, which forced the hand of the Western powers. The US, ensconced in McCarthyism and suffering heavy internal criticism over the 'loss' of China, swiftly recognised Bao Dai, on 7 February, and began military and economic support to his government.

*Inheriting policy: Australian responses to the Indochina conflict, pre 1951.*

Until this time the Australian Government, still under Chifley's Labor administration, had little response to the issue of Indochina. Evatt had called for 'dependent peoples to moderate the absoluteness of their demands to accord with the realities of their present stage of development'.<sup>3</sup> Therefore, the Australian Government was showing signs of being less inclined to grant full recognition to the new regime, leaning more towards recognition as an independent state within the French Union. Australia's response was almost entirely dictated by information received from its British and American counterparts, due to the lack of Australian presence, in diplomatic terms, in the region. This therefore initially led to a degree of uncertainty in Australian policy due to the contradictory advice being received about the conflict. During 1949 the External Affairs Department noted that Ho Chi Minh's forces controlled 80 per cent of Vietnam and that, if the Viet Minh received enough support from Communist

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<sup>3</sup> Ibid, p. 80.

China, Bao Dai's regime was doomed to fall.<sup>4</sup> Yet, despite these dire predictions, the department argued that Australia must consider recognising Bao Dai in an effort to strengthen his domestic position and thereby prevent similar collapses from happening throughout Southeast Asia. The Australian Government was therefore faced with recognising a regime which according to its best information would fail. However, this unenviable decision was taken out of the hands of Chifley's administration when, in December 1949 it was ousted by Menzies.

Once again, Casey was presented with a policy which had been inherited from Spender. Spender disapproved of the Bao Dai regime, particularly noting the level of French control which would be retained under the Elysée Agreement, but conceded that the French were moving towards complete independence.<sup>5</sup> Spender recommended that Australia should accord *de facto* recognition of Bao Dai which would alleviate Australia's concerns about the degree of French control while still having the effect of assisting in increasing Bao Dai's Government's stability. On 8 February, the day after the US and the UK bestowed recognition on Bao Dai's Government, Australia followed suit. Spender remained concerned with the activities of China, promising in Parliament on 9 March 1950 that Australia would 'watch closely' for evidence of China attempting to interfere in the affairs of Vietnam.<sup>6</sup> He admitted that there were those, unlike himself, who claimed that the Viet Minh was not entirely communist, and contained many 'genuine nationalists who desire nothing more than an independent Vietnam'. Yet Spender pointed to the 'incontrovertible fact' that Ho Chi Minh's political education had been undertaken in Moscow, which implied that a Viet Minh would see a regime installed that was 'scarcely distinguishable from other Communist satellite governments'.<sup>7</sup> In an early evocation of the 'domino effect', Spender contended that communist control of Vietnam would place Malaya, Thailand, Burma and Indonesia at great risk. Spender was under no illusions as to the importance of preventing the Viet Minh from achieving victory in Vietnam.

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<sup>4</sup> Ibid, pp 80-2.

<sup>5</sup> Ibid, p. 83.

<sup>6</sup> CPD, H of R, 9 March 1950, p. 626.

<sup>7</sup> Ibid, p. 627.

*The key to Southeast Asia: Casey visits Saigon, July 1951.*

Consequently Casey was presented with a policy on Vietnam which was strongly committed to supporting the French backed government of Bao Dai. As with the previous examples, Casey did not allow his policy to be simply informed by his predecessor, instead choosing to directly assess the situation during his pivotal first overseas trip as Minister in July 1951. On 26 July Casey visited Saigon where the French Commander in Chief, General de Lattre de Tassigny, made him aware of the importance of the region, commenting that Tonkin, in Vietnam's north was 'the key to South-East Asia' due to it being a prolific rice area and the 'gateway to Siam and Burma'.<sup>8</sup> Casey concluded that Indochina was 'the key to a great many things of importance' and conceded that the French were assuming 'too great a burden for their strength'. Casey immediately realised that Indochina was crucial to the peace of Southeast Asia and that France was over extended. However he remained unconvinced that the Viet Minh was completely communist, arguing that the conflict was 'a civil war' and that the Viet Minh forces were 'indigenous', with advice being the only assistance provided by Peking and Moscow, although he guessed that Moscow would eventually do 'a vast deal more than advise'. Casey's assessment that the Viet Minh was an independence movement shows that his view of the situation was less strident, or clear-cut, than Spender's. This was further demonstrated when Casey noted that no 'dynamic' Vietnamese leader had emerged to oppose the popularity of Ho Chi Minh, and that de Lattre's role of nominating each member of Bao Dai's Government allowed the Viet Minh to accuse the Republic of Vietnam of being French puppets.<sup>9</sup> Casey thereby indicated that, from the outset, he understood the complexity of the situation and the difficulties faced by France, such as the inadequacy of French resources and policy responses.

Casey's observation that the Viet Minh was an indigenous force and that the Indochinese conflict constituted a civil war is an early indication of the intricacy of Casey's thinking on the issue. While many of his counterparts in the State Department perceived the issue in black and white terms – as an attempt by the monolithic forces of communism to further encroach into Southeast Asia – Casey was more aware of

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<sup>8</sup> Casey diaries, 26 July 1951, NAA, M1153, 31.

<sup>9</sup> Casey diaries, 26 July 1951, NAA, M1153, 31.

the growing push towards independence by the region's local inhabitants. This is not to suggest that Casey was significantly softer in his attitude towards communism. While the Americans were preoccupied with halting the perceived advance of Communist China, Casey realised that there was a growing need to placate the local populations of Asian nations by offering viable indigenous leadership that was predisposed towards Western sensibilities. Thus, Casey had an understanding of the relationship of nationalism and communism different from many in the State Department. Casey understood that many Southeast Asian communists were also nationalists and that the basis of their support and the source of their ideas was indigenous.

On 28 July Casey met Bao Dai, whom he judged to be an 'agreeable' individual who possessed 'dignity and considerable political sense', although he 'lacks energy and any sense of urgency'.<sup>10</sup> He assessed that Bao Dai lacked the qualities of leadership required to rally the country behind him. Casey told the US Minister at Saigon, Heath, that Bao Dai had a 'keen understanding of the problems faced by his country' but lacked the 'will to exert strong leadership' which the situation required.<sup>11</sup> Casey asked if Bao Dai could be encouraged to increase his efforts, to which Heath responded that one had to 'pretty much take Bao Dai as he was'. Casey also questioned the ability of the Vietnamese Prime Minister, Tran Van Huu, inquiring if someone more 'dynamic' could be found to replace him. Casey obviously subscribed to the view of many of his contemporaries that Bao Dai was not the ideal alternative to oppose the Viet Minh. Casey's adverse appraisal of Bao Dai's Government was further evidenced upon his return to Australia when he informed cabinet that the Vietnamese politicians he had met had not impressed him 'as having the necessary strength or experience' to survive a French withdrawal from Indochina.<sup>12</sup> However, his assessment of Bao Dai himself was less critical, in that he argued that he could play an important role in building a Vietnamese Government capable of standing on its own feet.<sup>13</sup> From the outset, Casey showed a considerable lack of faith in the existing administration in Vietnam

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<sup>10</sup> Casey diaries, 28 July 1951, NAA, M1153, 31.

<sup>11</sup> Telegram from Heath, The Minister at Saigon, to the Secretary of State, 30 July 1951. *FRUS*, vol. VI, op cit, part 1, p. 466.

<sup>12</sup> For the full text of Casey's report see 'Report on Visit to South-East Asia and East Asia by Minister for External Affairs', dated 21 September 1951, NAA, A4905, 129, p. 13.

<sup>13</sup> *Ibid*, p. 14.

which no doubt influenced his belief that the conflict could not be resolved in favour of the French and their Western allies.

*The head and the tentacles: Casey's view of the conflict, May 1952.*

In the following months there was a considerable decline in French success in the region, with the death of de Lattre from cancer in early 1952 adversely affecting French morale.<sup>14</sup> On 30 April 1952, the French Ambassador M. Padovani asked Casey what Australia could do to aid the French in Indochina to resist the communists.<sup>15</sup> Padovani's appeal came at a time when Casey was growing increasingly concerned that French resolve in Indochina was weakening, with the Department of External Affairs reporting that there was 'good reason' to believe that the French Chiefs of Staff were recommending a complete withdrawal from the region.<sup>16</sup> Casey suggested Australia should closely consider Padovani's appeal in an effort to further embolden French efforts to resist the Viet Minh, in particular given the possibility of Chinese forces joining the fray in Indochina. Casey foresaw Indochina as the most likely region for future Chinese aggression, as it was a 'chopstick country' and was the last place in Asia in which a European nation still exerted a real degree of dominance. He also noted that a Commander in Chief in Singapore had said that 'militarily there was no answer' to the Indochina situation, although Casey believed this was the 'worst case scenario'. Thus, despite his lack of faith in the government of Bao Dai, and although continuing to question French resilience, Casey remained committed to the defence of Indochina and the maintenance of French involvement in the region.

However, Casey also expressed considerable doubts about the options facing the West in confronting communism in Asia – whether to attack the head or the tentacles of an octopus.<sup>17</sup> Casey rejected an attack on the head of the octopus, China, believing that even a successful outcome would only provide breathing space for about five years, and would only create 'militant antagonism' in nations such as India and Burma. Casey also dismissed the validity of continued attacks against the tentacles of the octopus, such as the war in Indochina, which would only be 'unrewarding' and lead to 'continuing bleeding of the democratic side – even if the Americans were willing to

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<sup>14</sup> CPD, H of R, 22 February 1952, p. 266.

<sup>15</sup> Casey diaries, 30 April 1952. NAA, M1153, 32.

<sup>16</sup> Casey diaries, 7 May 1952. NAA, M1153, 32.

<sup>17</sup> Ibid.

expose themselves to the bleeding process'. Evidently, Casey was becoming more inclined to believe that open conflict, on a large or small scale, was not the answer and that negotiation was the only alternative. Casey would later put his thoughts to Admiral Radford during the first ANZUS Council meeting in Hawaii on 6 August, to which Radford responded that a military committee was already scheduled to meet to consider the options set out by Casey.<sup>18</sup> This example demonstrates considerable prescience on Casey's behalf in that he was beginning to articulate the futility of continued fighting in Indochina. Had such foresight been in evidence in the years following Casey's tenure at External Affairs, Australia's approach to the Vietnam conflict might have been significantly different from that which eventuated.

Yet, despite Casey's apparent pessimism about the future of the conflict in Indochina, he continued to receive optimistic reports from the State Department. During the ANZUS Council meeting on 6 August, Casey voiced his concerns about French resilience to the Secretary of State, asking Acheson if he believed the French would 'stick it out'.<sup>19</sup> Acheson remained confident that they would continue the campaign in Indochina as long as they retained the present level of US financial support. Acheson believed that the French could withstand an additional force of about 50,000 Chinese Communists. In short, Acheson disagreed with the assumption that 'militarily there is no answer', instead deeming that it was 'not impossible to stop Chinese aggressive action southwards'.<sup>20</sup> The State Department consequently considered that the military campaign in Indochina was still a viable undertaking. Therefore, Casey's personal beliefs were placed at odds with those of the United States. Casey had been growing increasingly certain that the military campaign was doomed, while the State Department clung to the hope that the French would succeed.

The strong American support for the French again forced Casey to face the unenviable task of trying to navigate a course between the Americans and the British. The British, like Casey, were becoming progressively less inclined to support the continuation of the conflict in Indochina. Not wanting to alienate the State

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<sup>18</sup> Casey diaries, 6 August 1952. NAA, M1153, 32. At this time Admiral Arthur W. Radford was Commander in Chief, Pacific and U.S. Pacific Fleet.

<sup>19</sup> Casey diaries, 6 August 1952. NAA, M1153, 32. A report of the ANZUS Council Meeting in Kaneohe, Hawaii, can also be found in *FRUS, 1952-54*, vol. XIII, Indochina, part 1, pp. 237-39.

<sup>20</sup> Casey diaries, 6 August 1952. NAA, M1153, 32. Emphasis in original.

Department Casey chose to highlight the degree to which the US policy on Indochina differed from that of the UK. Casey implored the State Department to encourage 'closer integration' between British and American diplomatic activities in the East.<sup>21</sup> Radford and Acheson both acknowledged that American and British posts were 'not in line' and agreed with Casey's assessment that Southeast Asian nations might seek to play them off against each other. Casey stressed that everything possible should be done to display public unity between the two countries. The disparity between the US and the UK placed Casey and the Australian Government in a dilemma in that, regardless of its opinion on the conduct of the conflict, it would be forced to find a way to placate both sides of the argument. As has been demonstrated, Australia had been trying exceptionally hard to increase US involvement in the defence of Southeast Asia and the Pacific, evidenced by the ANZUS Treaty. Yet, at the very first meeting of the new organisation, the difficulty of reconciling Australia's new position with the US against its traditional tie to the UK was becoming apparent. In particular, Casey's contrary understanding of the Indochina conflict vis a vis the US would compel him to walk a fine line whereby he would need to avoid opposing the US to such a degree that they might consider the worth of military ties with Australia.

A Five-Power Conference -comprising the UK, the US, France, Australia and New Zealand - held in Washington failed to produce a satisfactory result capable of defusing the situation in Asia. Acheson declared that the meeting had 'not been effective in devising agreed military solutions against the contingency of overt Chinese intervention in Indo-China'.<sup>22</sup> The holding of this Conference, and the fact that Australia was invited to attend in such a prominent role, suggests that Australia's wish to foster enhanced collaboration between itself and the US, by promoting US involvement in the affairs of the Pacific and Southeast Asia, was finally bearing fruit. The conflict in Indochina and the threat of Chinese Communist expansion had significantly contributed to the Australian Government's campaign to create closer ties between itself and the US. However, the differing perceptions between Australia and the US in terms of how the conflict could be resolved would cause considerable angst for the Australian Government and Casey in particular. Although Casey clearly had misgivings as to the longevity of French resistance and was becoming

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<sup>21</sup> Ibid.

<sup>22</sup> *FRUS*, vol. XIII, op cit, p. 299

increasingly aware that the conflict could not be resolved militarily, US analysts were of the opinion that Australia would make a contribution to the war effort in Indochina. Heath, the US Ambassador at Saigon, suggested that appeals should be made to nations such as Australia and New Zealand to assist the war effort by providing arms and ammunition.<sup>23</sup> Therefore, if Australia were to placate the US it would have to acquiesce to the demands of both the French, through Padovani's request, and the State Department by aiding the war effort in Indochina.

*Letourneau's visit, March 1953.*

Early in 1953, on 15 January, Casey asked the Minister for Defence, Phillip McBride, what could be done from both a military and political perspective to aid France.<sup>24</sup> Casey was concerned that the French were fighting a 'lonely battle' and suggested that Australia could offer help through means such as the Colombo Plan, the provision of aircraft, or by supplying small arms ammunition. On 27 February McBride told Casey that there were a number of avenues open to the Australian military which could be used to provide some assistance to the French, in particular in terms of Army and Navy supplies. Evidently, regardless of any misgivings he might have about the longevity of French resistance in Indochina, the weight of opinion from the US and the French combined with advice from the Secretary of his own department, Watt, had convinced Casey that it was necessary to provide some form of concrete assistance to the war effort in Indochina.

This was highlighted when the French Minister for Indochina Jean Letourneau visited Australia in March 1953 to discuss the state of affairs in Indochina.<sup>25</sup> Casey considered that Letourneau's interpretation of the situation confirmed that Australia's assessment had been correct. Letourneau was adamant that Bao Dai was the only viable option to act as Vietnamese Head of State, claiming that regardless of his character deficiencies no other individual could approach his importance within the wider community. In particular Letourneau believed that Bao Dai was important to 'welding together the north and south of Vietnam', and could have significant

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<sup>23</sup> See message from Heath to the State Department dated 13 November 1952. Ibid, p. 283

<sup>24</sup> Letter from Casey to McBride, 15 January 1953. NAA, A5954, 2295/4, p. 1.

<sup>25</sup> See 'Record of Discussion with M. Letourneau at the Defence Department in Melbourne on Monday 9 March 1953'. NAA, A1838, 3012/10/10/1, part 2.

influence and effect if he ‘had the energy and the will to lead’.<sup>26</sup> Given Letourneau’s guarded endorsement of the Vietnamese leader, and given Casey’s previous reading of Bao Dai’s personality combined with his various attempts to discuss viable alternatives, the prospects for Vietnam looked grim if Casey was proved to be an accurate judge of character. Letourneau believed that a great number of Vietnamese were tired of the war and were being influenced in their loyalties by who they believed would win the war and bring it to a swift end. Letourneau dismissed suggestions that Chinese troops were fighting with the Viet Minh, suggesting instead that the Chinese were providing support through military equipment and stores.<sup>27</sup> Letourneau was also encouraged by the growing number of Vietnamese who were joining the French forces. Letourneau was evidently presenting a positive outlook to the Australians in an attempt to allay their fears that the cause was lost which would, in turn persuade Australia to contribute to the war effort in terms of supplies.

Letourneau did not wish to gain any military assistance from Australia or indeed from any Western nations.<sup>28</sup> He was adamant that the war should not become internationalised, as France maintained the conflict was a civil war. Letourneau argued that internationalisation would provide China with an excuse to become involved. Letourneau was confident that French and Vietnamese forces would be capable of at least holding their ground against the Viet Minh.<sup>29</sup> Yet, although Letourneau implored Casey and the Australian Government to provide material assistance, he gave Casey the distinct impression that the Indochina conflict ‘could only reach a solution by political means – and not by military means’. Letourneau’s beliefs therefore corresponded closely with Casey’s long-held insistence that the conflict could not be won on the battlefield, and conflicted with the US view that Vietnam could be saved in its entirety. Casey and Letourneau’s subsequent joint communiqué expressed the Australian Government’s willingness to assist France and the Associated States of Indochina with certain military and air supplies.<sup>30</sup> A French technical mission to Australia was endorsed and the provision of economic assistance to the region, through the auspices of the Colombo Plan, was made. One interesting

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<sup>26</sup> Ibid, p. 2.

<sup>27</sup> Ibid, p. 3.

<sup>28</sup> Ibid, p. 3.

<sup>29</sup> Ibid, p. 4.

<sup>30</sup> Visit of M. Jean Letourneau, Joint Communiqué, 11 March 1953. NAA, A4529, 50/1/1/1953.

aspect of the communiqué was Letourneau's expression of confidence that the French forces and those of the Associated States would be capable of restoring the situation in Indochina without international assistance in terms of manpower. This optimistic statement was clearly an attempt to present as agreeable a picture as possible to the general public, for Letourneau's private rhetoric presented a far less positive outlook for the restoration of the region. If Letourneau was to be believed, the only resolution to the conflict in Indochina would be at the negotiating table rather than on the battlefield.

Although Letourneau's visit had been designed to garner support for the French effort in Indochina, it is evident that much of the substance of Letourneau's statements had an adverse effect on Casey's thinking. Although the Australian Government responded positively to Letourneau's requests for assistance, Casey displayed a growing unease at the viability of the presiding regime in Vietnam, and the French ability to hold on. Furthermore, the French insistence that the conflict was a civil dispute made it clear that any move towards greater involvement by Western powers such as the US would be met with resistance from the French. While Casey and the Australian Government obviously wished to retain French presence in the region, Casey was becoming increasingly aware of the need to discover an alternative to the Viet Minh which was more amenable to Western needs. Casey's lack of confidence in Bao Dai no doubt heightened his sense of unease and the urgency of the situation.

*Deterioration in Indochina: Late 1953.*

By the latter part of 1953, Casey was receiving increasing information suggesting that the French will to continue the war in Indochina was waning. By then, the Viet Minh had expanded to include six divisions, and had gained almost total control in rural areas, particularly in the northern part of the country.<sup>31</sup> In September, at the second meeting of the ANZUS Council, Casey was informed by Admiral Radford that the US had committed to provide an additional \$380 million to aid the French, indicative of American attempts to increase French resolve.<sup>32</sup> Casey asked if the US had received any assurance from France that they would continue the struggle in Indochina. Radford responded that, while the present French Government had reiterated its

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<sup>31</sup> Edwards with Pemberton, op cit, p. 117.

<sup>32</sup> Casey diaries, 10 September 1953. NAA, M1153, 33.

dedication to the cause, he did not foresee that this ‘necessarily bound any future French Government’. Although Casey was concerned by the diminished French perseverance, his greater fear was of an imminent ‘Viet Minh offensive’.<sup>33</sup> As will be shown, this proved to be a perceptive statement given that the military situation in Indochina would irrevocably deteriorate in the following months. Despite Casey’s statement, it is evident that, although the US was increasing its commitment to the defence of Indochina, it was becoming increasingly difficult to convince the French to hold on.

On 9 October Casey visited the French Foreign Minister, Georges Bidault, and the Far East Director of the French Foreign Office, Jacques Roux, in Paris. From the outset Bidault made it clear that, after sustaining the war in Indochina for about eight years, the French had ‘just about had it’.<sup>34</sup> He told Casey that he was fighting ‘almost a lone battle’ in the French Cabinet in supporting the continuance of the war. Despite this, Bidault was adamant that France did not want the war to become internationalised unless the Chinese showed signs of open aggression. Bidault argued that the French could not negotiate directly with Ho Chi Minh and suggested that the only chance for a settlement of the conflict would be for it to be discussed in the latter stages of the upcoming Korean political conference. The prospects of the French remaining in Indochina appeared slim. Even Malcolm MacDonald, the Commissioner-General for the United Kingdom in Southeast Asia, whom Casey described as being ‘more optimistic about the situation in Indochina than I’d expected’, expressed concern that the greatest danger to the continued resistance in Indochina lay on ‘the Paris front’, with the French Cabinet, other than Prime Minister Joseph Laniel and Bidault, being ‘at least lukewarm’ about continuing hostilities’.<sup>35</sup> As Casey had been increasingly suspecting, the outcome in Indochina looked destined to be determined by negotiation rather than through continued warfare.

Subsequently the four major powers - Britain, France, the United States and the Soviet Union – confirmed that a conference on Korea would be held in Geneva from 26 April, and that the issue of Indochina would also be discussed. On 27 February

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<sup>33</sup> See ‘United States Minutes of the Second Session of the Second Meeting of the ANZUS Council’, Washington, 9 September 1953. *FRUS*, vol. XIII, op cit, p. 791

<sup>34</sup> Casey diaries, 9 October 1953. NAA, M1153, 33.

<sup>35</sup> Casey diaries, 31 October 1953. NAA, M1153, 33.

Casey accepted Dulles' offer for Australia to attend. While this decision offered hope that the conflict in Indochina might be brought to a negotiated conclusion, the French position on the battlefield was in the process of deteriorating to such a degree that it precipitated the proposal of an authoritative response from the United States. During November 1953, the French took control of the village of Dien Bien Phu, near the Laotian border in Vietnam's north. This move, designed to significantly hinder Viet Minh access to Laos, was intended to provoke a pitched confrontation between the Viet Minh and the French which, the French believed, would result in a French victory due to superior firepower.<sup>36</sup> However, the French quickly found themselves surrounded, with the Viet Minh positioning themselves on high ground believed by the French to be inaccessible, which afforded the Viet Minh a significant advantage. On 13 March the Viet Minh commenced their assault on the French position in Dien Bien Phu.<sup>37</sup> The resultant battle, with the French surrounded and placed in a dire predicament, forced the Western powers, and particularly the US, to consider what action should be taken to aid the French and prevent the defeat of a major European power at the hands of a communist controlled, revolutionary force.

*United Action? The US appeals to Australia, April 1954.*

On 29 March 1954 Dulles spoke of the 'transcendent importance' of the Southeast Asian region and the threat that communist control of the region would pose to Australia, the Philippines and New Zealand.<sup>38</sup> Dulles proposed that the threat of communism in Southeast Asia should be met by 'united action', and on 3 April he and Radford approached the Congress, requesting that the President be given the authority to employ sea and air power in Southeast Asia. Congress informed Dulles that allies such as the UK would also need to be involved, with Dulles suggesting to Eisenhower that Congress would 'be quite prepared to go along on some vigorous action if we were not doing it alone'.<sup>39</sup> US analysts had determined that the UK would 'probably approve a US intervention in Indochina', and that Australia and New Zealand would 'clearly recognise the threat of expanding communism in Southeast Asia and would

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<sup>36</sup> Goldsworthy, op cit, p. 198.

<sup>37</sup> Edwards with Pemberton, op cit, p. 122.

<sup>38</sup> Ibid, p. 123.

<sup>39</sup> See 'Memorandum of Telephone Conversation between the President and the Secretary of State', 3 April 1954, in *FRUS*, vol. XIII, op cit, p. 1230.

give full support to the US action'.<sup>40</sup> It was hoped that these three Commonwealth representatives might be able to contribute 'token naval and air support'. It was gauged that Australia and New Zealand would support 'military operations by this organisation in Indochina...provided the US bore the major military burden'. It was therefore clear that the Australian Government would soon be placed in a position where it would have to decide whether it was prepared to support the US in its fight to resist the communist drive into Southeast Asia. Considering Australia's previous efforts to get the United States to take a greater interest in the region, it would prove most difficult to reject the US appeal.

On 4 April Dulles spoke to the Ambassadors of Australia and New Zealand, Percy Spender and Leslie Munro, arguing that a lack of action in Indochina might result in the French being 'inclined to accept a settlement at Geneva which will amount to a sell-out'.<sup>41</sup> Dulles believed the situation in Southeast Asia was 'fraught with danger', and necessitated the creation of 'an *ad hoc* coalition of states' who would work together and possibly 'contribute forces'. He stressed that the possible loss of Dien Bien Phu would have a profound 'psychological effect' in Vietnam and he predicted that the absence of reinforcements might result in the French suffering a 'sizeable defeat' in the near future. Dulles argued that French willingness to hold on was indelibly linked to whether they could 'see any relief in sight'.<sup>42</sup> Dulles was clearly placing considerable pressure on the Australian and New Zealand Governments to commit to the cause of defending Indochina.

However, Spender hesitated, pointing to the impending Australian election, and arguing that action which 'might be feasible after May 29 might not be feasible before that date', as it could result in the election of a government whose 'policies would be contrary to our long-term aims'.<sup>43</sup> Spender asked if the situation could be controlled in the intervening two months, to which Radford replied that the situation should not

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<sup>40</sup> See Special Estimate entitled 'Probable consequences in non-Communist Asia of certain possible developments in Indochina before mid 1954', Washington, 16 November 1953, under the sub-heading 'Probable consequences of a U.S. intervention in force in Indochina'. Ibid, p.873

<sup>41</sup> 'Memorandum of Conversation, by the Deputy Assistant Secretary of State for European Affairs' (Bonbright), in Washington on 4 April 1954. Participants in this conversation included Dulles, Radford, Spender and Munro. Ibid, p. 1231.

<sup>42</sup> Ibid, p. 1233

<sup>43</sup> Ibid, p. 1234.

deteriorate to the point where it would be 'irretrievable'. Although Spender had wavered, he still managed to impress upon the State Department Australia's willingness to endorse 'united action', with the Americans recording that both Spender and Munro had 'agreed personally that action must be taken'.<sup>44</sup> In concluding the meeting, Dulles strongly cautioned the Ambassadors to take heed of his appeal, arguing that

...the United States Government was now willing to play its full part in the proposed coalition and...this willingness should not be taken for granted forever. If the danger is not recognised by the British Commonwealth, which is much closer to the danger than we are, we will find it hard to move in the matter...[and] we may write it off.

Thus Dulles played on the gravest fears of the Australian Government, forecasting that lack of support in regard to 'united action' might lead to the US turning its back on the region. Considering the Menzies Government's continued overtures to the US to play a greater role in Southeast Asia, highlighted by the implementation of the ANZUS Treaty, this threat would place considerable pressure on Australia to comply with America's interventionist policy.

*Cabinet discussion of Indochina, 6 April 1954.*

In the aftermath of Spender's meeting at the State Department, the Menzies Cabinet convened to discuss how best to respond to Dulles' proposal. Casey commenced by again describing Indochina as 'the key to Southeast Asia'.<sup>45</sup> Casey based this assumption on his previously stated fear that the fall of Indochina would destabilise Southeast Asia to such a degree that the security of the whole region would be jeopardised. Casey questioned French resolve, deeming that they did not have 'their heart in it' after seven years of conflict and that they had been unable to inspire the Vietnamese. Casey mentioned Dulles' statements of 29 March in which he promised that if Indochina were to fall the US would 'not sit idly by'. Casey also observed that Dulles had been unimpressed by Eden's urging of France to 'come to an arrangement with the Viet Minh' and that he wished for Australia to impress upon the British the

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<sup>44</sup> Ibid, p. 1235.

<sup>45</sup> Cabinet notebook, 6 April 1954. NAA, A11099, 1/18, p. 24.

need to maintain French morale.<sup>46</sup> The members of cabinet were therefore left in no doubt as to the degree to which the US wished to gain Australia's support for its cause.

In response, Harold Holt, the Minister for Labour and National Service, stated that Australia had 'harped on the importance of this area to the free world' and therefore argued that 'our course must be clear'.<sup>47</sup> Casey's reply, that Australia 'must not forget the Asian point of view that this is an anti-colonial revolt', indicates two things: first, that he was not entirely swayed by the need to placate the Americans and second, that he sought to always keep the best interests of the Asian states in mind. However, many of Casey's colleagues were much more concerned with the impact that defying the United States would have on Australia's security. For example, John McEwen, the Minister of Commerce and Agriculture, argued that while the Asian point of view was important, 'we survive only by the strong arm of the US' and that Australia could not afford to be 'out of step' with them. William McMahon, the Minister for Navy and Air, concurred, suggesting that Indochina needed to be a greater priority to the Australian Government 'even if it builds up antagonism in Asia'.<sup>48</sup> These views underscore the degree of opposition Casey faced in trying to open the eyes of his colleagues to the importance of nurturing Australia's relations with Asia.

Despite the level of support in cabinet for the American standpoint, the Minister for Defence, Phillip McBride, agreed with Casey's view, arguing that the war was 'internal' and that Australia 'should be very slow to buy into a struggle in Asia for independence'.<sup>49</sup> Menzies was also hesitant to throw Australia's full support behind the US, suggesting that 'we are not going to quarrel with the US but we can express different views'.<sup>50</sup> Menzies was particularly aware that the UK would not 'rush in' to any decision. Casey tried to further enlighten his colleagues about the basis of the conflict by stating that all countries have a 'traditional enemy' and that the French had become the traditional enemy of the Vietnamese.<sup>51</sup> He compared the Vietnamese view of the French to the French view of Germany. However, Earle Page used

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<sup>46</sup> Ibid, p. 25.

<sup>47</sup> Ibid, p. 25.

<sup>48</sup> Ibid, p. 27.

<sup>49</sup> Ibid, p. 27.

<sup>50</sup> Ibid, p. 26.

<sup>51</sup> Ibid, p. 27-8.

Casey's rhetoric against him by claiming that Australia had a 'traditional fear of Asia' which determined that Australia 'must therefore come in on an international basis'.<sup>52</sup> Despite this, Menzies called for caution, noting that 'hasty decisions are dangerous'. Menzies was particularly concerned that if the proposed intervention was successful, Australia might find itself committed to supporting the French 'forever'. Kent-Hughes was also hesitant, asking if it was possible 'to go into Asia without causing more trouble'.<sup>53</sup> Furthermore, Kent-Hughes was critical of the US, stating that 'US experience in tactics in world politics is naïve' and that the issuing of a declaration in this instance 'would be stupid'. Casey was clearly not the only member of cabinet who had reached the conclusion that the war in Indochina could not be won through foreign intervention.

However, Holt would not be swayed.<sup>54</sup> He expressed the belief that the ANZUS Pact was the 'most important political decision' which had occurred in his lifetime. He therefore considered that Australia 'must develop the alliance with the US' and that no action should be taken which would 'suggest luke-warmness to the US'. Holt was determined that the opportunity should be taken to 'strengthen our alliance with the US'. Anthony was in agreement with Holt, suggesting that now that the US had heeded Australia's calls to recognise the importance of Southeast Asia they were asking 'what about you?'.<sup>55</sup> Anthony was adamant that Australia could not 'have a foot in both camps' and should instead 'show regard for US views and value their friendship'. McMahon also urged the government to 'show a willingness to consult with the US and a willingness to enter such an alliance'.<sup>56</sup> Spooner was even more unequivocal, arguing that Australia was so 'irrevocably committed' to the US that he feared any proposal to postpone a response until after the election.<sup>57</sup> Evidently, a number of Ministers endorsed supporting Dulles' proposal. However, Holt's strong opinion was again opposed by McBride who argued that Australia should not just be 'yes-men', and that the US appreciated Australia's 'real contributions to solutions of

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<sup>52</sup> Ibid, p. 28.

<sup>53</sup> Ibid, p. 29.

<sup>54</sup> Ibid, p. 30.

<sup>55</sup> Ibid, pp. 30-31.

<sup>56</sup> Ibid, p. 31.

<sup>57</sup> Ibid, p. 32.

difficult problems'.<sup>58</sup> McBride again identified the Asian point of view that the conflict in Indochina was an 'internal squabble'.

The substance of this cabinet debate emphasises the degree to which the Menzies Government was divided on how to approach the issue of Indochina. The degree to which many cabinet members believed that Australia must do whatever was asked of it by the US was evident during this discussion. It also points to the opposition Casey potentially faced if he sought to pursue a policy different from that of the US. This directly reflects upon the discussion in previous chapters, such as the case of opening diplomatic ties with China, and illustrates that Casey faced a great battle if he was to have his own idea of Australia's foreign policy adopted by the government. However, although a majority of the cabinet appeared to be convinced of the need to placate the Americans, it is evident that, in this instance, Casey was not alone in his assessment that Australia should not blindly follow the US. McBride's concurrence with Casey's viewpoint could be expected, given their similar sentiments in other matters, however Menzies' cautious attitude is of great significance in that it offered hope that, if the Prime Minister could be convinced that negotiation was preferable to physical conflict, Casey might succeed in having his approach adopted in this instance. Despite the degree of opposition from many of his colleagues this cabinet debate illustrates that Casey was continuing his efforts to have the views of Australia's Asian neighbours taken into consideration during cabinet discussion, which further highlights the extent to which Casey was attempting to adopt a more positive policy towards Asia.

However, Casey was not blind to the impact that a divergence between Australian and US policy would have on relations between the two nations. In closing the cabinet meeting, Casey noted that 'if we don't respond to the US view it will morally harm ANZUS'.<sup>59</sup> Casey clearly had an appreciation of the arguments being put forward by some of his colleagues. Yet despite the implied threat of withdrawal from the region by the US, Casey remained concerned that the US initiative was ill-conceived. Upon being told by Tange that Dulles had accepted the Pentagon's assessment that intervention was becoming necessary, Casey concluded that an international force in

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<sup>58</sup> Ibid, p. 30.

<sup>59</sup> Ibid, p. 33.

Indochina's north might be perceived by the Chinese in the same way as the forces in Korea had been regarded, as 'a spearhead threatening them'.<sup>60</sup> This in turn prompted Casey to believe that US intervention in Indochina might bring China into the conflict 'in big licks'. As discussed earlier this was a circumstance that Casey wished to avoid at almost any cost.

*Real independence: Cabinet discussion, 9 April 1954.*

The solution to the impasse in Indochina promoted by Casey further highlights that he was determined to find an answer to the conflict that could be beneficial to at least a portion of the Vietnamese population, while also satisfying Western interests. On 9 April, in discussions with the French Ambassador, Roche, Casey stressed the need for France to grant as complete a degree of independence as was possible to Vietnam and the Indochinese states before the commencement of the conference in Geneva.<sup>61</sup> Casey considered this move to be 'an essential pre-requisite' to gaining the best possible resolution to the conflict. Of course, Vietnam was sharply divided ideologically, religiously and regionally which meant that Casey had to identify which part of the Vietnamese population he would support. Clearly, when Casey spoke of independence he was referring to the government of Bao Dai, and its supporters. While he wished to see the indigenous population take control of their own affairs, he was still committed to endorsing a regime that corresponded closely with Western ideals and the part of the population which adhered to these ideals. Casey realised that the struggle in Vietnam constituted a civil conflict, and that the Viet Minh was fighting to obtain independence from their French colonial masters. He therefore realised that a viable option to the Viet Minh which would be acceptable to the Western powers needed to be found. This indicates the depth of Casey's comprehension of the finer intricacies of the conflict, and the psyche of its combatants. Casey understood the need to find a Vietnamese Government with nationalist legitimacy and sufficient local support to compete with the Viet Minh. Casey may have understood this earlier than many others. As it happened, the failure to find such an elite was one of the reasons North Vietnamese tanks rolled through the streets of Saigon in 1975.

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<sup>60</sup> Ibid.

<sup>61</sup> Ibid, 9 April 1954.

Casey hoped that the installation of an independent Vietnamese Government by the French would present a more palatable picture to the 'free' Asian states so as to ensure their support in Geneva. Although Casey was promoting his own ideal of what constituted an independent regime in Vietnam, this evidence still illuminates the degree of emphasis Casey placed upon placating Asia, even to the possible detriment of relations between Australia and the US. While Casey no doubt wished to keep the Americans onside, he was clearly eager to avoid any unnecessary offence to Asian nations, in particular neutralist nations such as India who had no direct affiliation to either the West or communism. Given the intense international political climate, Casey's willingness to stress the importance of understanding the Asian viewpoint on the issue sets him apart from many of his counterparts. As was evidenced in both of the previous cases under study, rather than seeking to be confrontational, Casey promoted closer ties and negotiation between the West and Asia as being paramount to attempts to resolve conflict.

Casey's effort to convince cabinet of the need to give greater consideration to the Asian side of the Indochina debate was in further evidence during discussion on 9 April. Casey told his colleagues of his discussion with Roche, noting that the present arrangement was considered by the majority of Asian states to be 'a sham for French colonialism'.<sup>62</sup> This drew an immediate response from Menzies, who expressed Australia's interest in seeing that the communists were prevented from progressing any further south than Indochina.<sup>63</sup> When Casey replied that international support for the present set up would not be forthcoming, Menzies stated that if the French were to grant independence then they would subsequently withdraw forces from Indochina. Menzies wished to avoid this development at all costs, believing that Australia should be 'very cagey' about putting pressure on the French, as a French withdrawal would result in the area falling to the communists.<sup>64</sup> Menzies therefore rejected Casey's view, instead arguing that Australia should 'maintain the will of the French to remain as a military force'. Casey's call for greater independence therefore fell on deaf ears. However, Casey again found an ally in McBride, who argued that without the support of free Asian nations for any intervention by the West, the undertaking would be

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<sup>62</sup> Cabinet notebook, 9 April 1954. NAA, A11099, 1/18, p. 40.

<sup>63</sup> Ibid, p. 41.

<sup>64</sup> Ibid, p. 42.

considered a declaration of war against Asia.<sup>65</sup> McBride considered that Casey's proposal of encouraging the French to grant independence to the Indochinese states might get the desired approval of other Asian nations.

Casey's frustrations with cabinet were evident in his diary entry for 9 April. He wrote that the discussion in cabinet had not been very useful, stating that he had not been able to get a 'clear-cut view' on how to proceed on the issue.<sup>66</sup> He contended that the desire to avoid any commitment conflicted with the need to not 'appear to Americans to be dragging our feet' on the first occasion when the US was taking an interest in the most important region to Australia's immediate security. Casey concluded that, although cabinet's divergent view of the situation was understandable it was 'not very helpful'. As has been shown throughout previous examples, Casey's inability to successfully handle cabinet debate is a recurring theme. In this case he was clearly discouraged by cabinet's inability to be decisive. While Casey's own ability to convince his colleagues of the validity of his ideas has been brought into question previously, in this case it is apparent that he was hampered more by the incompatibility of the vastly opposing goals which Australia was seeking to achieve. The US proposal of 'united action' placed Casey in an awkward position. Although he advocated negotiation rather than conflict under almost all circumstances, he remained fully aware of Australia's need to nurture US interest in Southeast Asia. Casey was finding it difficult to reconcile his wish to conduct friendly relations with Asia with the need to placate the US. The circumstances in this instance bear resemblance to the conundrum faced by Casey in regard to West New Guinea, where he found himself forced to negotiate a course between vastly conflicting objectives.

*Preparing for Geneva: April 1954.*

In light of cabinet's inability to give Casey a definitive answer as to how to conduct Australian diplomacy in Geneva, he found himself trying to 'get things straight in our minds' in discussions with Tange. On 12 April, as Casey prepared to depart for Geneva, he gave a significant indication of how he perceived the dispute in Indochina. When discussing the source of the 'menace', Casey surmised that it was the Viet Minh, and not Communist China, that was responsible for the upheaval in the

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<sup>65</sup> Ibid, p. 43.

<sup>66</sup> Casey diaries, 9 April 1954. NAA, M1153, 33.

region.<sup>67</sup> This again underlines Casey's more perceptive outlook on the dispute, in that he was less inclined to see it as a symptom of communist expansion. Casey instead understood that the struggle in Indochina was an internal conflict based on achieving independence from a foreign power. This perceptiveness was further highlighted when Casey drew an important comparison between the aid provided by Communist China and that provided by the French and the US to Vietnam, noting that the Western nations were almost certainly contributing far more to the conflict. This is an important insight which illustrates that Casey did not simply see the dispute from the perspective of the West. It provides a further example of the extent to which Casey was able to take into account the Asian viewpoint.

Casey's more tempered understanding of the conflict was also shown in his suggestion that Dulles' assertion that China was 'mighty close' to open aggression was an exaggeration.<sup>68</sup> Casey was forthright in his conviction that Dulles' proposed warning to China 'would be highly provocative' and would lead to the communists being 'intensely resentful' at Geneva. More pointedly, Casey feared that such a move by the US might tip China 'over the edge', which in turn led him to state that 'heaven knows where this would lead us, or what would be the end of it'. Again, it is evident that Casey supported negotiation rather than confrontation if at all possible, and he did not wish to see the United States jeopardising efforts to have the conflict peacefully resolved at Geneva. In an interesting display of foresight, Casey asserted that

...it is pretty nearly true to say that the only people who can beat the Viet Minh are the Viet Nam[sic], adequately supported and helped – and against the background of something very close to complete independence, if the French can be induced to give it to them.<sup>69</sup>

Casey understood that the days of colonial rule in Indochina were coming to an end, and he accepted that the local inhabitants of the region would have to be given the chance to determine their own destiny. Casey's continued call for 'real' independence for the states of Indochina illuminates the degree to which he accepted that Asian nations could be trusted to govern themselves. While many of his colleagues and

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<sup>67</sup> Casey diaries, 12 April 1954. NAA, M1153, 33.

<sup>68</sup> Ibid.

<sup>69</sup> Ibid.

counterparts in the US were only concerned with combating the communist menace, Casey was instead attempting to find ways in which the West and the East could successfully co-exist. However, his description of the forces opposing the Viet Minh as ‘the Viet Nam’ betrayed his belief that, although he understood that the Viet Minh was an indigenous force, he did not believe it to be representative of the Vietnam he wished to promote. His references to the Western backed forces opposing the Viet Minh as ‘the Vietnamese’ were numerous and show that Casey considered that the ‘real’ Vietnamese were those who subscribed to a more democratic, Western, view. Casey’s call for independence was clearly aimed at the element of the population which was inclined towards the French and the West. Thus, whilst dedicated to giving greater autonomy to local inhabitants, Casey did not lose sight of the need to retain governments in Asia that were positively disposed towards Western ideals rather than being neutralist or communist.

On the way to Geneva, on 13 April 1954, Casey discussed Indochina with Malcolm MacDonald. Casey judged from MacDonald’s comments that the situation in the region had only become worse since his last visit.<sup>70</sup> MacDonald told Casey that, if a negotiated cease fire were to be achieved, then either the Viet Minh would have to be given some role in a composite government, or otherwise a partition of the country in which the Viet Minh was given territory would have to be considered. Casey conceded that neither of these alternatives was attractive but leaned more towards the idea of ceding territory, which he deemed was ‘the least unpleasant of the two’. This would prove to be an initial identification of a solution to the dispute to which Casey would become increasingly open in subsequent discussion. Casey’s adverse assessment of the conflict was further heightened during his visit to Saigon, where he met with General Navarre, the Commander-in-Chief of the French and Vietnamese forces. Navarre told Casey that the battle for Dien Bien Phu would be difficult and he expressed concern for other areas such as the Hanoi delta, which was under increasing pressure due to increased Viet Minh efforts to arrive at Geneva with a ‘good war map’.<sup>71</sup> This negative view was confirmed in an ensuing discussion with the French Commissioner-General in Indochina, M.E.N. Dejean, who Casey assessed as

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<sup>70</sup> Ibid. 13 April 1954.

<sup>71</sup> Ibid. 14 April 1954.

‘seriously worried’ about the situation.<sup>72</sup> Casey was thus becoming increasingly aware that a settlement of the dispute was vital and that some degree of compromise might be essential to achieving a satisfactory result, whereby the communist advance deeper into Southeast Asia could be halted as far north as possible.

*‘The gambit of recognition’: Casey’s solution to the Indochina crisis.*

Casey’s evolving understanding of the gravity of the situation was reflected in observations he made to Heath, the American Ambassador at Saigon. On 16 April Casey told Heath that he considered there were only two pieces of ‘bait’ which might be used to deter Communist China from continuing to aid the Viet Minh, either US recognition of China or the ‘allotment of a part of Vietnam – Northern part – to Viet Minh’.<sup>73</sup> While Casey prefaced his remarks by claiming that he was ‘thinking out loud’, this reveals that he was becoming more inclined to make concessions to bring about a non-confrontational end to the crisis. Casey diluted his comments by, in Heath’s words, ‘humorously’ conceding that neither of these possibilities seemed likely given the present state of American opinion in regard to China. Yet despite the apparent casual nature of Casey’s remarks, the fact that he would raise such obviously extreme, at least from an American standpoint, possibilities to a representative of the US Government provides striking proof of the degree to which he was seeking to explore methods to peacefully resolve the conflict in Indochina. Casey later conceded that he had gained a ‘pessimistic’ picture during his time in Indochina, but asserted that this view was justified by what he had heard in Saigon.<sup>74</sup> Casey’s growing sense that the conflict was worsening was reiterated when he told Menzies that the current facts of the situation did not ‘add up to a pretty picture’.<sup>75</sup> Casey informed Menzies that a prominent Frenchman had told him a year before that ‘there was no military solution’ to the Indochina crisis and that political discussion was the only option. Casey’s experience in Saigon now led him to believe that this assertion was accurate.

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<sup>72</sup> Ibid. 16 April 1954.

<sup>73</sup> Telegram from the Ambassador at Saigon (Heath) to the Department of State, 16 April 1954. *FRUS*, Vol. XVI, The Geneva Conference, p. 529.

<sup>74</sup> Cablegram to Tange and McBride, who was acting Minister in Casey’s absence, dated 17 April 1954. NAA, A1838, 3012/2/9, Part 9, p. 2.

<sup>75</sup> Casey included the contents of a telegram he sent to Menzies and McBride in his diary entry for 18 April 1954. NAA, M1153, 33.

Casey had come to believe that the majority of the Vietnamese population was inclined towards support of the Viet Minh, and he used the sentiment of an unnamed prominent Vietnamese to underline his argument.<sup>76</sup> Casey was told that one of the most useful arguments used by the Viet Minh, in a propaganda sense, was to ask their troops who they saw themselves fighting against. The response invariably identified the French, 'black North African' and German members of the French Foreign Legion who fought with Vietnamese who were 'forced to fight with all this heterogeneous collection of foreigners'. On the other hand, the Viet Minh consisted entirely of Vietnamese who were dedicated to excising a colonial power. While Casey understood that these comments represented the rhetoric of an organisation seeking support, he still acknowledged the significance of the point being made. This again underlines Casey's comprehension of the intricacies of the nature of the dispute being greater than many of his colleagues and counterparts. He was able to acknowledge the degree to which the conflict was an internal struggle that relied as much on the quest for Vietnamese independence from France as it did on the need to prevent the spread of communism.

Casey was also under no illusions regarding the direction of the war. He argued that the Viet Minh was 'likely progressively to improve their position', and he acknowledged that any military successes by the Viet Minh would subsequently result in greater political support.<sup>77</sup> He envisaged that this greater political support would undoubtedly lead to more victories. Casey suspected that the war was causing a much greater drain on the resources of France and the United States than it was on the Viet Minh and the Communist Chinese. He surmised that the present Viet Minh and Chinese efforts could continue indefinitely, while the French could only be trusted to maintain their vigilance for a short time longer. This therefore forced Casey to contemplate methods which might be undertaken by the West to prevent the loss of the region to the Viet Minh and their communist allies in China. While Casey acknowledged that the use of air power could help stop the flow of aid from China to the Viet Minh, he considered that the introduction of ground forces would lead to a similar situation to that which had occurred in Korea, where Chinese 'volunteers' had become involved. This in turn would result in the commencement of unenviable 'long

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<sup>76</sup> Ibid.

<sup>77</sup> Ibid.

drawn out war' with Communist China. Casey therefore argued that the time had come to take a 'longer range point of view' of the conflict, as opposed to simply thinking in terms of resisting the communist advance by propping up the French.

As might be expected of a career diplomat, Casey's answer to the dispute lay in coming to a 'political arrangement' with Peking. He considered that the 'gambit of recognition' of Communist China could be used as a bargaining factor in efforts to convince the Chinese to cease their involvement in the conflict.<sup>78</sup> Yet Casey realised that it would be extremely difficult to convince the US of the validity of this approach because of the attendant difficulties. He was convinced that there was little other 'workable' alternative and considered that the inability to get UN approval of air bombing or other physical intervention was evidence against the workability of these alternatives. Furthermore, Casey presciently noted that air bombing would only offer a temporary solution to the problem, as he foresaw that the Viet Minh could afford to wait until the French tired of the campaign, which he believed would be in no more than two years at the most. Casey realised that recognition of Communist China and the conducting of diplomacy with the Chinese would not necessarily solve the problem, yet he judged that such a move would at least bring the Chinese 'more under the eyes of the world' and would force them to be answerable to the United Nations. Casey concluded that by granting recognition and inviting the Chinese to take part at the UN immediately, the West could at least have 'some chance of exacting a price' for these concessions that would inevitably have to be made anyway.<sup>79</sup>

Thus Casey attempted to use the crisis in Indochina as a means of also promoting his position that recognition of China needed to be at least considered. This again highlights the divergence between Casey's understanding of the Cold War and that of his American counterparts. The United States' fear of Communist China permeated all of their foreign policy throughout Southeast Asia. The 'loss' of China had created such an outcry in the US that all future policy was directed towards efforts to ensure that no further gains were made by communism in the region. Casey was much less inclined to fear the Chinese, as was shown in his desire to recognise the PRC and conduct diplomatic relations with the Communist regime. This is not to say that Casey

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<sup>78</sup> Ibid.

<sup>79</sup> Ibid.

did not acknowledge the threat posed by communism, he simply realised the legitimacy of the regime in China and understood the need to negotiate with the PRC. Casey's belief that the Viet Minh was an indigenous, independent organisation, and that the war in Indochina was a civil conflict, reveals that his conception of the communist menace in Asia differed from the Americans; he did not see it as a monolithic force intent upon engulfing the region under one banner. He recognised that the Viet Minh had indigenous sources of support and ideas. Casey's less dogmatic approach to communism was particularly exemplified by his growing preparedness to concede ground to the Viet Minh if it resulted in a peaceful resolution to the conflict.

Casey's appeal to Menzies again illustrates his desire to employ negotiation and diplomacy as the means to solve conflict between the West and its Asian counterparts. Despite the inherent fear of communism which existed at the time, Casey was prepared to make concessions to the Chinese if this could lead to the peaceful resolution of the dispute. While the United States and a number of Casey's colleagues endorsed physical force, albeit by means of aerial assault, as the best way to resolve the standoff in Indochina, Casey had a better comprehension of the gravity of the situation. Furthermore, Casey clearly had a greater understanding of the task faced by the French and their allies in holding sway in Indochina. Casey's frequent visits to the region and the emphasis placed upon engendering a better understanding of Asia which was crucial to his foreign policy allowed Casey to have a superior understanding of what measures were required to end the conflict. The ideas that Casey presented to Menzies and McBride further highlight the perceptiveness of his policy towards Asia.

*Pressure for 'united action' mounts: Casey in Geneva, April 1954.*

During the following weeks Casey attended the Geneva Conference and had numerous meetings with his foreign counterparts. On 23 April, Casey met with Bao Dai in Paris. Foremost among the points discussed during the meeting was the need for France to finalise its moves to grant independence to Vietnam.<sup>80</sup> Casey left the meeting convinced that the granting of independence was imminent, which would

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<sup>80</sup> See 'Record of interview between Mr. Casey and H.M. Bao Dai at the Hotel Plaza-Athenee, Paris, on 23rd April 1954'. NAA, A4968, 25/23/1, Part 4, p. 1.

have raised his hopes for a positive outcome to negotiations at Geneva.<sup>81</sup> Although the cabinet meeting on 9 April stressed the need to retain France's presence in Indochina, Casey remained convinced that granting independence to a Vietnamese regime positively disposed towards the West, in this case the government of Bao Dai, increased the chances of gaining a resolution to the conflict suitable to the Western powers.

Despite Casey's positive meeting with Bao Dai, he gained a much grimmer picture during a meeting with Dulles later that day. Dulles believed that France was 'in the death throes of her existence as a great power' and that its resistance was on the verge of collapsing, with the situation at Dien Bien Phu and in the Hanoi Delta capable of going 'grievously wrong within a short time'.<sup>82</sup> He even speculated that the French might be secretly negotiating with the Viet Minh already in an effort to end the conflict. The grave state of affairs prompted Dulles to raise the prospect of armed intervention in the region, and he indicated his 'distinct impression' that Congress would give the President *carte blanche* to resolve the problem. However, compliance by members of the British Commonwealth was considered crucial. Dulles threatened that the US would 'wash its hands of responsibility' in Southeast Asian if the required nations, most notably Britain and Australia, refused American overtures. In the face of Dulles' ultimatum Casey again pointed to the upcoming Australian election as posing difficulties to Australia's ability to respond positively to Dulles' plan. While Dulles did not seek an immediate response, he impressed upon Casey the need for imminent action, as events were taking place in Indochina 'on which the survival of Australia probably depended'.<sup>83</sup> Dulles exhorted Casey to 'look at a map to see the relative importance of Indo-China to Australia and to the United States'. Dulles left Casey in no doubt over how he envisaged Australia should respond to his proposal, arguing that Australia should be pressing the US to become involved in the conflict rather than the other way around.

Casey's reply to Dulles again highlights the lengths to which he would go to avoid open conflict, in that he tentatively raised his idea that recognition of Peking might be

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<sup>81</sup> See Casey's own account of the meeting in his diary entry for 23 April 1954. NAA, M1153, 33.

<sup>82</sup> Casey diaries, 23 April 1954. NAA, M1153, 33.

<sup>83</sup> Ibid.

used as a ‘bargaining factor’ to peacefully resolve the conflict.<sup>84</sup> Dulles responded in the manner expected, stating that he could not see the United States recognising Communist China without some tangible evidence that China was prepared to be a ‘peace-loving power’. Despite Dulles’ dismissal of Casey’s idea, Casey’s attempt to at least have his opinion considered illustrates that, even in the face of ardent opposition, he continued to search for a peaceful resolution of the standoff in Indochina. While Casey was not prepared to unequivocally denounce Dulles’ proposal, it is still evident that he was not prepared to endorse a course of action which might lead to an escalation of the conflict, even if this vacillation injured relations between Australia and the United States.

*‘American action is wrong’: Casey makes his position clear, 25 April 1954.*

On 25 April Casey received a telegram from Keith Officer, which gave the impression that the United States had appealed to the French to agree to allow the US Air Force to undertake ‘mass intervention’ in Indochina.<sup>85</sup> Dulles had come to the conclusion that Dien Bien Phu was about to fall which would lead to unrest throughout Indochina. The prospect of bombing China itself was also raised. The contents of Officer’s telegram prompted Casey to send a message to Canberra in which he unequivocally detailed his position on the issue of ‘mass intervention’. Casey insisted that the US policy was ‘wrong’ and outlined five major reasons why this was the case. He claimed that intervention would ‘not stop the loss of Dien Bien Phu’; would not have the support of the UN; would upset world opinion; would ‘embroil us with Communist China’; and would ‘wreck’ the negotiations at Geneva. The depth of Casey’s conviction on the matter caused him to again see the need to confront Dulles in an effort to deter the Americans from taking action.

In light of Officer’s message, Casey organised a meeting with Dulles to determine the full extent of US initiatives. After speaking to Dulles, Casey concluded that Officer’s message had misrepresented US intentions, with the US actually having been approached by the French.<sup>86</sup> Dulles explained to Casey that the French Prime Minister, Joseph Laniel, had appealed to the US by predicting that the imminent loss

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<sup>84</sup> Ibid.

<sup>85</sup> Ibid. 25 April 1954.

<sup>86</sup> Ibid.

of Dien Bien Phu would lead to the fall of the French Government and would subsequently see the withdrawal of French forces from Indochina.<sup>87</sup> Dulles had explained to Laniel the process that would be required to permit American intervention, such as Congressional approval, and also highlighted the need to gain the support of Commonwealth nations such as Britain and Australia.<sup>88</sup> Although Dulles made no concrete offer to directly involve the US in the conflict, he promised Laniel that he would attempt to ensure that the French 'could count on at least two allies'. Dulles noted that British and Australian support was 'hampered' by domestic political difficulties, which shows that Casey's, and the Australian Government's, continued references to the upcoming election was having the desired affect. However, Dulles persisted in placing pressure on Casey, by emphasising the importance of supporting Laniel's Government. Dulles feared that a change of French leadership might result in the installation of a more neutralist administration which could refuse the offer of intervention even if it was possible. Little did Dulles realise that Casey hoped that a government more inclined to negotiate would take power.

Despite Casey's realisation that US intervention was not as imminent as first thought, he still took the opportunity to voice some concerns about the proposal. Casey told Dulles that even with British and Australian acquiescence to intervention, the likelihood of UN opposition to such a plan would 'greatly antagonise Asian opinion'.<sup>89</sup> Dulles responded that the US would rely upon indigenous troops to achieve their goal. Dulles questioned why the British were prepared to wait until 'one of their greatest assets' to the campaign, the 300,000 Vietnamese troops currently fighting the Viet Minh, was destroyed. Casey defended British diffidence by explaining to Dulles the fear that Western intervention in the conflict would 'get us all embroiled in a war with Red China'. It is therefore evident that, although Casey did not overtly rule out Australian support of the US proposal, and did not present his case as forthrightly as he had in the telegram to Menzies, he did express grave reservations as to the wisdom of the US initiative. In a meeting with Amos Peaslee on 1 May, Menzies' thoughts seemed to mirror Casey's when he stated that 'neither the white nor the yellow people would understand us' if the West led an invasion of

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<sup>87</sup> See Memorandum of Conversation, by the Assistant Secretary of State for Far Eastern Affairs (Robertson), 25 April 1954. *FRUS*, vol. XVI, op cit, p. 557.

<sup>88</sup> *Ibid*, p. 558.

<sup>89</sup> *Ibid*, p. 558.

Indochina.<sup>90</sup> However, Menzies was adamant that Australia did not endorse making ‘territorial concessions’ in Indochina, stating his ‘personal, unalterable opposition to anything of that kind’. Considering Casey’s growing belief that partition might be a viable alternative, it appears that the Prime Minister and his Minister for External Affairs might be destined to differ on this aspect of the issue.

*Not by force of arms alone: ANZUS Council meeting, Geneva, 2 May.*

In the midst of the deteriorating situation in Indochina, with resistance at Dinh Bien Phu on the verge of collapse, an ANZUS Council meeting was conducted on 2 May. Casey noted that Dulles ‘was clearly in a somewhat despondent mood’ at the meeting and lacked ‘a clear view of how to proceed in the circumstances’.<sup>91</sup> Dulles conceded that the French had lost the will to fight and that Bao Dai’s forces did not have the capacity to continue without the French. Dulles commented that all requests for aid from the French had been met by the US other than the call for ‘air intervention’, with Dulles claiming that this had not been achievable due to the need to get Congressional support for such an action, and the requirement that other countries besides the US join the effort. Dulles unequivocally rejected any suggestion that partition, a coalition with the Viet Minh, or elections, were viable solutions to the conflict. He consequently surmised that the negotiating position of the Western nations was not encouraging. Considering Casey’s own conviction that negotiation was the only alternative, and his growing belief that partition might represent one option to resolve the conflict, it would seem that he would have considerable difficulty convincing his American counterparts. Furthermore, Casey’s reading of Dulles’ position suggests that the Secretary of State was becoming increasingly unhappy with the inability of Australia and the British to support his plan.

Despite this, Casey chose to adopt a negative view of intervention, claiming that it would prove impossible to retain Indochina and Southeast Asia ‘by force of arms alone’. Casey argued that the ‘most active support of local populations’ would be required if such action was to have any chance of success. As he had stated throughout discussion of the crisis, Casey implored the Americans to gain the support

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<sup>90</sup> Telegram from the Ambassador in Australia (Peaslee) to the Department of State, 1 May 1954.

*FRUS*, vol. XVI, op cit, p. 650.

<sup>91</sup> Casey diaries, 2 May 1954. NAA, M1153, 33.

of the Asian nations for any action that might be considered. Casey also again voiced his conviction that the US and its allies must avoid 'becoming embroiled in war with China', which he determined would be a 'great disaster'.<sup>92</sup> Casey told the meeting that the conference in Geneva must be given a chance and that it would be 'unwise' to take any action during the conference. Casey was somewhat circumspect when it came to the issue of partition, acknowledging the accuracy of Dulles' analysis of the disadvantages of the proposal. However, he did raise the idea that a military partition at the 18<sup>th</sup> parallel 'might be feasible'.<sup>93</sup> This shows that, although Casey was aware of the need to placate the Americans, he was not afraid to at least touch upon solutions that may have been considered to have been unenviable to the State Department. That Casey was prepared to raise this issue given Menzies' own thoughts on partition, expressed to Peaslee, also illustrates that Casey was prepared to take the risk of deviating from the course of action favoured by his government if it meant avoiding escalating the conflict.

Yet Casey was not so imprudent as to completely ignore Dulles' plea for support. Casey once more told the Americans that the coming elections in Australia 'inhibited his government from taking positive action at this time'.<sup>94</sup> Casey felt it would be 'quite wrong' for the Menzies Government to commit Australia to any major action when the government might change within weeks. So again Casey sought to deflect US pleas for support by referring to the election. However, Casey did give the Americans the impression that their overtures might be successful in the event that the Menzies Government was returned at the next election, suggesting that Australia could then be 'more active'.<sup>95</sup> Despite the reservations expressed by Casey during the meeting, the US delegation left with the impression that Australia would respond positively after the election. On 6 May Dulles informed a meeting of the National Security Council that Casey had assured him that Australia would take 'a strong line' if Menzies were returned to office on 29 May.<sup>96</sup> Thus, although Casey had managed to make Dulles and the State Department aware of his doubts about their plan for intervention in the region, he had also successfully given the Americans the

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<sup>92</sup> Ibid.

<sup>93</sup> Memorandum of Conversation by the Adviser to the United States Delegation (McBride), 2 May 1954. *FRUS*, vol. XVI, op cit, p. 654.

<sup>94</sup> Ibid, p. 654.

<sup>95</sup> Casey diaries, 2 May 1954. NAA, M1153, 33.

<sup>96</sup> *FRUS*, vol. XIII, Indochina, part 2, p. 1485.

impression that Australia would eventually support them. In this way, Casey was able to temporarily avoid endorsing intervention while also avoiding offending the US Administration. However, the time was fast approaching when Australia would be forced to make its position clear to its allies.

Casey's continued efforts to forestall giving the US an answer in regard to intervention was not received positively by all members of his own staff. On 4 May, Tange expressed concern that the standoff between the US and the UK over intervention might lead to a deterioration in relations between the two most dominant Western nations.<sup>97</sup> Tange was worried that the British refusal to take any physical action in Indochina until all attempts at a negotiated settlement had failed would lead to US resentment. Tange was also aware of the need for the Western powers to have a strong negotiating position at Geneva. With this in mind, Tange argued that Dulles 'must be assisted publicly in the not too distant future'. Tange suggested that Australia could at least assist the US by attempting to influence the UK to endorse Dulles' plan. Tange was adamant that Dulles should be given the opportunity to announce that a group of nations, including the UK, were in talks about the development of a collective defence organisation for Southeast Asia. Tange believed that this would at least create the impression that the West was considering military initiatives in the area. While Tange was an ardent proponent of adopting policies aimed at engendering closer ties with Asia—evidenced by his advice on recognition of China and the West New Guinea dispute—in this instance he was concerned that the continued vacillation by Australia was too likely to be potentially damaging to relations with the US.

Tange's biographer has argued that the Secretary was opposed to military intervention in Indochina from the outset; however this exchange shows that this was not entirely the case.<sup>98</sup> Tange was obviously concerned that the continued prevarication by the Australian Government could not continue indefinitely. Tange's thoughts are interesting when juxtaposed with Casey's. On previous occasions, such as attempts to have China recognised, Tange appeared to have a significant influence on the policies proposed by Casey. However, in this instance Casey chose to ignore Tange's appeal

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<sup>97</sup> Cablegram from Tange to Casey, 4 May 1954. NAA, A4968, 25/23/1 part 4.

<sup>98</sup> See Peter Edwards, *Arthur Tange: Last of the Mandarins*, Allen & Unwin, Sydney, 2006, pp. 74-5.

to assist Dulles, instead seeking to stall in the hope of finding a negotiated solution to the conflict. This demonstrates that in this case Casey was prepared to act independently, rather than being solely influenced by the department. This is important to an understanding of Casey, in that it shows the extent to which he was driven to avoid offending Asian opinion while also avoiding an escalation of military activity in the region.

*No internationalisation: Australia makes its position clear, 26 May 1954.*

Throughout the remainder of May, Casey and his colleagues in the Australian Government were focused on the closely fought election campaign, with Casey arriving back in Australia on 7 May. Coincidentally, Casey's return coincided with the loss of Dien Bien Phu, which considerably changed the complexion of the conflict in Indochina and the proposed alternatives to resolve the conflict. Despite this significant development, there was little discussion of Indochina during the next three weeks, with the Petrov affair and the election taking precedence. On 26 May, three days prior to the election, Tange sent a message to a number of Australian posts, aimed at summarising Australia's position so as to prevent misunderstandings.<sup>99</sup> Tange confirmed that Australia had not agreed to internationalise the war in Indochina, with the government 'naturally reluctant' to involve itself in any long-term campaigns until after the election was decided. Furthermore, Tange decreed that the election was not the 'only or even principal reason' for the lack of an Australian decision on the issue of internationalisation. Tange emphasised that Australia opposed the internationalisation of the war for vastly greater reasons than simply the imminent election, with the most notable reason being the need to give the Geneva Conference a chance. Evidently, while Dulles and the State Department had come to the conclusion that Australia would take a stronger line after the election, Tange was illustrating that this was not the case.

Tange observed that, while matters surrounding military intervention and its objectives were imprecise, Australia was 'bound to respond cautiously' to any appeals to make a commitment to join in an internationalisation of the war.<sup>100</sup> Tange then

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<sup>99</sup> See cablegram from Tange to a number of overseas posts, including Washington, London, Paris and the Australian delegation at Geneva, 26 May 1954. NAA, A5954, 2300/3, p. 1.

<sup>100</sup> Ibid, p. 3.

raised the prospect of partition through negotiation, which until this time had really only been given any credence by Casey. In stating that Australia wished to give negotiations at Geneva every chance to succeed, Tange claimed that Australia did not entirely reject the possibility of partition of Vietnam which included the preservation of Laos and Cambodia.<sup>101</sup> Tange argued that this alternative was preferable to those which would be achieved through armed intervention. Tange envisaged that such an outcome would provide the best opportunity to establish a collective defence treaty which included the support of non-communist Asian nations. Tange noted the importance that Casey had placed upon gaining the approval of Asian states to any action taken. He emphasised that every effort to find a peaceful resolution should be exhausted before any 'drastic action' should be considered. The content of Tange's message shows that Casey's dedication to finding a negotiated solution to the conflict was becoming more apparent in Australia's expressed policy. Tange's previous thoughts, that Australia should seek to aid Dulles as soon as possible, had clearly been overridden by Casey's desire to resolve the conflict amicably while placating non-communist Asian nations such as India and Thailand. No doubt the worsening situation in Indochina, exemplified by the loss of Dien Bien Phu had also influenced opinion in Australia, with the chances of military success in the region seeming increasingly remote.

With the election campaign successfully concluded, Casey sent a telegram on 1 June designed to clarify the policy set out by Tange. Casey further stressed that Australia would 'find great difficulty' in supporting military intervention in Indochina, and underlined the dangers of getting involved in a conflict with China which could invariably escalate into a 'third world war'.<sup>102</sup> Casey's desire to avoid a major international conflict clearly outweighed his wish to stop the communist advance in Indochina. In regard to partition, Casey sought to somewhat moderate Tange's statements by claiming that, although Australia did not reject partition, it had also not advocated such a move.<sup>103</sup> Furthermore, he emphasised that any partition proposed would have to be subject to conditions. However, Casey made his own feelings on the subject clear when he stated 'privately' that partition

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<sup>101</sup> Ibid, p. 3.

<sup>102</sup> Cablegram from Casey to various posts, 1 June 1954. NAA, A5954, 2300/3, p. 1.

<sup>103</sup> Ibid, p. 2.

....seems preferable to (a) continued fighting if it does not have any hope of success, or (b) a military stalemate which if it did not lead to collapse of Vietnam would in effect be a form of *de facto* partition.<sup>104</sup>

Casey's belief that partition offered a satisfactory solution to the conflict was becoming more pronounced. Despite the disadvantages of partition, he had come to believe that it must be considered.

The end of the election campaign prompted cabinet to again address the issue of how to resolve the conflict in Indochina. On 4 June Casey presented a document which sought to emphasise the key points Casey and Tange had raised in their messages to the overseas posts. For instance, recognition was made of the need to 'carry Asian opinion'; to gain a clearer understanding of the objectives and feasibility of military action; to 'maintain U.S. interest in the security of the area; and to alleviate tension between the US and the UK. In regard to maintaining US involvement in the region, it was argued that there were 'signs of U.S. impatience with her Allies'.<sup>105</sup> Casey also prominently raised the desirability of achieving a peaceful end to hostilities via a settlement at Geneva, and assessed that partition represented one option to achieve this end.<sup>106</sup> Casey stressed that partition would only be considered with certain guarantees, which included the preservation of Laos and Cambodia. This is an important point as this goal would form the basis of Casey's own policy during the concluding weeks of the Geneva Conference. Casey also pointed out that the views of the UK were in accordance with those of Australia. He also spoke of US rejection of this idea, due to the assumption that allowing the communists to advance further south in Asia unhindered would invariably create a situation which could lead to the whole region falling into communist hands.

Casey offered no specific recommendations to cabinet, instead offering the submission as an information paper that would encourage debate on the issue. Casey opened the discussion by identifying the need for Australia to 'steer between letting the US believe that we will let them fight our battles and letting the US incautiously

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<sup>104</sup> Ibid, p. 2.

<sup>105</sup> See Submission No. 686 for Cabinet on Indochina. NAA, A5954, 2300/3, pp. 12 and 14.

<sup>106</sup> Ibid, p. 13.

get into a ground war in Asia'.<sup>107</sup> Casey argued that the US had no 'defined objective' in this war and that it would not be possible to eliminate the Viet Minh entirely as they were 'too strongly entrenched'. Furthermore, he assessed that the 'spirit of the country' was in favour of neither the French nor the war. Casey felt that it was necessary to be precise when determining the aim of any action in Indochina. He did not think it was sufficient to say that the aim was to prevent communism from progressing further south. Casey conceded that air power had been ineffective against the 'overwhelming numbers on the other side'.<sup>108</sup> Casey was most concerned that the Viet Minh had no right to be in either Cambodia or Laos and he underscored the need to apply pressure to get the Viet Minh out of these countries.

Importantly, Casey placed 'great stress on the sympathetic understanding' of other Asian countries which further highlights the extent to which his policy was centred upon encouraging closer ties with Asia and preventing unnecessary offence to Australia's nearest neighbours. Casey was forthright in his assessment that Vietnam was practically lost and believed all efforts should be directed towards retaining Laos and Cambodia as 'buffer states', while trying to hold the Saigon Delta area in Vietnam.<sup>109</sup> Casey argued that Australia's policy should be to encourage the partition of Vietnam on the best possible terms; the preservation of Laos and Cambodia; the development of an international guarantee 'with teeth'; and to get the support of as many Asian nations as possible.<sup>110</sup> This illustrates the degree to which Casey had deviated from the policy proposed by the US and provides evidence that he was attempting to gain a result in the Indochina crisis which would prevent further escalation of the war as well as causing minimal friction between Australia and Asia.

Casey's concessionary proposal drew an adverse response from Anthony, who declared that 'while we are talking communists are moving forward'.<sup>111</sup> Anthony placed no confidence in the ability of free Asian nations to prevent the spread of communism and he was certain that Australia's security now rested with the US, claiming that Australia should 'stick to the US even when it is wrong'. McBride was

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<sup>107</sup> Cabinet notebook, 4 June 1954. NAA, A11099, 1/19, p. 2.

<sup>108</sup> Ibid, p. 3.

<sup>109</sup> Ibid, p. 4.

<sup>110</sup> Ibid, p. 4.

<sup>111</sup> Ibid, p. 6.

more circumspect in his comments, agreeing that Australia would have to 'come in behind' the US if they persisted but assessing that 'things will go badly'. McBride supported Casey in one respect, in that he shared the view that the positive approval of Asian nations to any action was crucial.<sup>112</sup> Kent-Hughes continued his argument that it was necessary to 'lead from strength', but he had now concluded that some ground may need to be conceded.<sup>113</sup> He therefore stated that the West should say 'this far and no further', meaning that the northern part of the country could be forfeited but not the south. The deteriorating situation had evidently forced some members of cabinet to alter their view of partition.

McMahon shared the conviction of Anthony, judging that Australia must support the US and 'give concrete evidence of our goodwill'.<sup>114</sup> Yet even he conceded that the communists should be allowed to 'have the north', as long as the French retained the south. Harrison offered a voice of caution that corresponded closely with the thoughts of Casey in that he feared that the US was on a path to 'global war'. He appealed to his colleagues to take Casey's advice and 'establish a line' in Vietnam that could allow for a settlement of the issue. Harrison declared that Casey had 'outlined the only practicable course'. Casey's proposal was evidently having some positive affect. This was even more pronounced in the thoughts expressed by Menzies, who claimed that Australia had been 'asked to participate in a forlorn hope' and should instead 'concentrate on what is left'.<sup>115</sup> More pointedly Menzies argued that the approach of the US was 'unreal except on the assumption that they intend to provoke a global atomic war while they have atom superiority'. Menzies' sentiments were even stronger than Casey's in that he determined that if the US only intended to offer a 'token' force it was 'time they were told it was damn silly'. Menzies was also worried about the political objectives being sought by the US in Vietnam, in that he believed the French were being propped up and that the eventual objective would be to give Vietnam self-government which would only lead to a further incursion by the communists who would 'achieve in peace what they failed to do war'.<sup>116</sup>

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<sup>112</sup> Ibid, p. 7.

<sup>113</sup> Ibid, p. 7.

<sup>114</sup> Ibid, p. 8.

<sup>115</sup> Ibid, p. 9.

<sup>116</sup> Ibid, p. 10.

Menzies complimented Casey's proposal of safeguarding the integrity of Laos and Cambodia while gaining an assurance against armed attack. Menzies considered that this idea went some way towards reconciling the 'practical view of the UK with the theoretical view of the US'.<sup>117</sup> Menzies agreed that efforts must centre on saving as much of southern Vietnam as possible. He provocatively concluded his remarks by asking how Australia 'could justify a war which will fail, merely to keep in with the US'. While much had previously been made of Australia's need to placate the US regardless of the legitimacy of its actions, it is evident that in this instance Casey was not alone in urging caution before becoming embroiled in a conflict which could inflame dissent in Asia, and particularly China, against the West. There is little doubt that the loss of Dien Bien Phu and the delicate state of French resistance had influenced the opinions of Casey's colleagues; however Menzies' endorsement of Casey's plan still represented a significant victory for the Minister for External Affairs given the strong line being adopted by the US.

Cabinet subsequently decided that, since the Americans 'appeared to be acting incautiously', efforts should be made to 'restrain the United States from embarking upon active intervention in Indo-China' unless there was sufficient 'definition of its military and political aims'.<sup>118</sup> Cabinet also determined that Indian and Burmese consent to a guarantee of the integrity of Laos, Cambodia and the South of Vietnam should be sought and that it should be made clear that this guarantee was designed to protect the countries in question rather than govern them. In regard to partition, cabinet observed that Viet Minh control of many areas of Vietnam meant that partition was, to some extent, already in effect. Cabinet concluded that an agreement which safeguarded the 'exporting rice bowl' of Indochina while recognising the independence of Laos and Cambodia would provide an opportunity to defend the rest of Southeast Asia from communist expansion while also offering a sufficient 'foundation for an international guarantee'. Cabinet therefore invited both Casey and Menzies to promote these views to their foreign counterparts, with Casey being asked to make stops in New Delhi and Karachi on his return journey to Geneva to discuss Australia's proposal.<sup>119</sup>

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<sup>117</sup> Ibid, p. 10.

<sup>118</sup> See Cabinet Minute, 4 June 1954, Submission no. 686. NAA, A5954, 2300/3, p. 3.

<sup>119</sup> Ibid, p. 4.

Thus, Casey had received full endorsement for all of the proposals which he had been formulating over the previous weeks. There is little doubt that the mood of the cabinet had been altered by adverse events in Indochina in the interim, yet Casey had foreseen the deterioration of the conflict earlier than most of his colleagues and had formulated a solution to the crisis which was now endorsed by cabinet. This confirms the degree to which Casey had developed a greater understanding of the Asian political climate during his time at External Affairs, and the nature of his proposals demonstrates the degree to which he sought to adopt a policy which was considerate of the opinions of Australia's Asian neighbours. Casey's pleasure at the way cabinet received his proposal was demonstrated in his diary entry for 4 May, in which he noted that

Apart from a couple of voices that held that U.S.A. was our only standby in this part of the world and we should follow them whatever they did – the whole Cabinet backed my attitude – and unanimously said that I ought to go back to Geneva. It was quite a good discussion – and I got through all that I wanted to.<sup>120</sup>

While Casey often complained about cabinet's indifference to his proposals, and was lambasted by colleagues such as Hasluck for his ability in cabinet, in this instance he had managed to convince his colleagues to adopt a policy which was quite adventurous in terms of its ability to antagonise the Americans. This shows that Casey was not always ignored by his colleagues; his timing simply had to be right, which had not been the case in regard to his efforts to promote recognition of China.

Casey's success in cabinet in this instance was partly a result of his increased assurance in the policy he was promoting. In the cases of recognition of China and the West New Guinea dispute, Casey presented issues to cabinet in a more ambivalent manner. On China, Casey constantly considered that the time was not 'ripe' to present the issue to cabinet and when he finally did state his position on the matter he presented the submission as an 'information paper'. Although he believed in the idea himself, he lacked the conviction to carry his colleagues with him. On West New Guinea Casey was led to some degree by the thoughts of others within the department, such as Tange and Crocker, due to his own inability to discover a satisfactory solution to the impasse himself. So again, when he confronted cabinet he

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<sup>120</sup> Casey diaries, 4 May, 1954. NAA, M1153, 33

did not have sufficient commitment to the proposal he was presenting to convince cabinet. Furthermore, in both of these cases Casey was discussing issues which he, and his colleagues, did not consider to require a great degree of urgency. In particular in the West New Guinea example he believed that the Dutch could contain the dispute for up to 5 years.

However in discussions on Indochina, Casey was dealing with an issue that had great immediacy, in that a resolution to the dispute which was satisfactory to the Western powers needed to be found without delay. There was no doubt that the time was ripe to discuss this issue. This resulted in many members of cabinet being much more open to making decisions which might not have been palatable at a less critical time. Casey's success was also due to the fact that he spoke from a position of authority on the issue, as he had travelled extensively through the region and had gained a thorough understanding of the difficulties posed by the conflict. This had led Casey to devise his own plan as to how the dispute could be satisfactorily resolved and this gave him increased prestige within cabinet. In this case he was not as influenced by the thoughts of other members of the department. Thus, in this instance, Casey's success in cabinet can in part be attributed to his own confidence in the material he was presenting, as well as to the timing of his appeal. In regard to an assessment of Casey's performance in cabinet, it is evident that he needed to have sufficient belief in the policy he was presenting and that the timing of his appeal needed to be right for him to enjoy any degree of success. Although this example illustrates that Casey was capable of having success in cabinet, it only heightens the conclusion that in the previous cases of recognition of China and West New Guinea Casey's failure in cabinet was due in some measure to his own shortcomings as a politician. Indeed, a politician's success in cabinet can largely be measured by his ability to convince his colleagues of the validity of his policy regardless of the timing of his appeal.

The Australian Government's new position was made clear in a subsequent cablegram to Spender from Menzies and Casey. While acknowledging that Australia should not let the Americans 'feel that we are not willing to pull our weight', it was stated that Australia had become 'troubled by the lack of precision that attaches to the United

States thinking'.<sup>121</sup> Casey and Menzies determined that Australia's participation in a US led intervention in Indochina, which was opposed by the vast majority of Commonwealth countries, would be a 'terrible innovation for Australia to promote' as it would cleave the unity of the Commonwealth. It was decided that 'tremendous efforts' must be undertaken to retain unanimity between the policy of Australia and the UK. Thus, in Menzies' hands, the reasoning for refraining from supporting the US appears to have been driven by a desire to prevent the Empire from fracturing, whereas Casey seemed more driven by the need to maintain positive relations with Asia while protecting the rights of sovereign nations such as Laos and Cambodia.

*Gathering support for the proposal: Casey's return journey to Geneva.*

While Casey had successfully convinced cabinet of the validity of his proposal, he was now charged with the task of promoting the idea in international circles. On 9 June, Casey gave consideration as to how he would approach Indian Prime Minister Nehru. He determined that he would ask Nehru whether 'he'd be happy in himself at the thought of his moral responsibility for the disaster that will inevitably happen to Laos and Cambodia as a result of his inaction'.<sup>122</sup> Casey was clearly trying to apply moral pressure on Nehru. This statement provides substantial evidence both of the prescience of Casey's thoughts on Indochina and his empathy towards the issue. He clearly believed that he and his counterparts had a moral obligation to prevent all of the states of Indochina from coming under the heel of the communists, even if this meant conceding part of Vietnam in the process. His insistence that the integrity and independence of Laos and Cambodia had to be protected, even if Vietnam could not be saved, and the way in which he articulated his thoughts on the issue, shows a degree of compassion for the rights of the inhabitants of Asian nations which was not common among many of his peers in the Menzies Government. While cabinet had chosen to support Casey's proposal due to the precarious state of the conflict in Indochina, and the need to retain Laos and Cambodia as a bulwark against the further spread of communism, Casey's reasoning appears to be more multifaceted than simply halting communism. It is this deeper understanding and compassion for Asia

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<sup>121</sup> Cablegram from Menzies and Casey to Spender, dated 5 June 1954. NAA, A4968, 25/23/1, part 4, p. 1.

<sup>122</sup> Casey diaries, 9 June, 1954. NAA, M1153, 33

which set Casey apart from many of his colleagues and which can be seen as the root of many of his Asia-centric policies.

On 10 June, Casey met with Nehru, and immediately sought to show him that ‘we were not blindly following America’.<sup>123</sup> Casey acknowledged that Australia could not be seen to publicly disagree with the US due to the need to rely on them in the event of an emergency, but he wished to make it known that Australia ‘frequently contested their views and proposals’. Casey surmised that a detailed examination, during the proposed five-power talks, of the forces required to intervene in the conflict would reduce any chance that America would ‘blunder into war’. Casey contended that Australia had ‘been hanging onto American coat tails and arguing against intervention’ and he assessed that these efforts had had ‘some effect on their minds’. He expressed Australia’s conviction that a war on the Asian mainland, with the prospect of Chinese involvement, must be avoided at all costs. Casey then outlined his proposal for achieving a cessation of the conflict.<sup>124</sup> In calling for a guarantee of the autonomy of Laos, Cambodia and what remained of Vietnam, he deemed that it would be ‘anomalous’ for such guarantees to be made by Western countries alone. Casey therefore appealed for Nehru to add his support to the proposal while using his influence to convince other Asian nations to agree. Nehru acknowledged the accuracy of Casey’s analysis of the situation and gave some hint that he would take part in efforts to find a solution to the conflict, but he did not fully pledge India’s support for the proposal. Casey believed that Nehru had moved ‘a little more along the road towards more direct association with the problem’ but he was wary that Nehru could not be ‘moved fast’.<sup>125</sup> Yet Casey was confident that Nehru would eventually contribute, which in turn led Casey to conclude that the Geneva Conference must continue while hope remained for a negotiated settlement.

In Pakistan, Casey was unable to meet with the Prime Minister, Mohomed Ali, who was in Turkey, but he was able to have a discussion with the Minister for Finance, an old acquaintance of Casey’s also named Mohomed Ali.<sup>126</sup> Casey told Ali his

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<sup>123</sup> Ibid, p. 1. Casey also detailed his meeting with Nehru in his diary entry for 10 June 1954. NAA, M1153, 33.

<sup>124</sup> Ibid, p. 2.

<sup>125</sup> Ibid, p. 2.

<sup>126</sup> Casey diaries, 11 June 1954. NAA, M1153, 33

impression of the Indochina crisis ‘with a great deal of frankness’ and impressed upon him the need for Pakistan to play a significant role in bringing about a satisfactory negotiated settlement to the issue. Ali expressed considerable interest in Casey’s ideas, asking him to write an account of his story which could be presented to the Prime Minister upon his return. Casey was confident that, despite Pakistan’s own internal troubles, they could be relied upon to address the issue of Indochina soon after the Prime Minister’s return. Casey’s efforts to garner support for his proposal were gaining momentum and his decision to visit the sub-continent on his way to Geneva appeared to be reaping rewards.

*Moving closer to consensus: Casey in Geneva, June 1954.*

After his arrival in Europe Casey met with General Bedell-Smith, the US Under-Secretary of State, who informed Casey that the term partition ‘stuck in the throat’ of the US Administration, and that any such proposal would have to be called by a different name.<sup>127</sup> However, despite these misgivings, Bedell-Smith confidentially told Casey that he accepted the idea, which demonstrated that the proposal being put forward by Casey had some chance of success, even in the most difficult of quarters. Casey then spoke to Anthony Eden, who indicated his satisfaction with the content of Menzies and Casey’s message to Washington on 5 June, which he said corresponded ‘exactly’ with his own views.<sup>128</sup> There appeared to be a growing acceptance among Casey’s foreign counterparts, either through Casey’s urgings or through their own deductions, that the proposal he was proffering provided a satisfactory solution to the conflict. Casey acknowledged this himself, when he stated that

It is not boasting when I say that I believe I was the first (in Australia anyhow) to voice the conception of getting and guaranteeing the integrity of Laos and Cambodia, as the nearest thing to the answer to the S.E. Asia problem that we were likely to get. Cabinet endorsed this – and I have been preaching Laos and Cambodia ever since – shouting it to the press all through Asia – and to Nehru and to the Pakistanis and here in Geneva to Anthony Eden and Bedell-Smith and many others. I do not suggest for a moment that this has been responsible for the way Laos and Cambodia have come up into such prominence in people’s minds – although it may have helped a bit.<sup>129</sup>

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<sup>127</sup> Ibid. 13 June 1954.

<sup>128</sup> Ibid.

<sup>129</sup> Ibid.

Despite Casey's reticence to accept too much of the credit for the increased efforts to protect Laos and Cambodia, it is evident that much of the substance of his comments were true. There seems little doubt that he was the first among the Menzies Government to verbalise the idea of getting a guarantee for Laos and Cambodia, and he contributed a great deal to either opening the eyes of his foreign counterparts to the validity of the concept, or at least keeping the idea at the forefront of their thoughts if they had already arrived at the notion. The degree to which Casey contributed to the proposal that would form the nucleus of the agreement at Geneva and his efforts to influence members of foreign powers to accept it has not appeared in the existing literature on the subject of the Indochina conflict.<sup>130</sup> Casey deserves considerable credit in this instance, for his efforts to promote a negotiated settlement to the conflict which protected the rights and integrity of two Asian countries, and again illuminates a politician who contributed a great deal to fostering more open and friendly ties between Australia and Asia.

On 17 June, Casey again spoke to Eden and Bedell-Smith and found that significant progress had been made in some areas of the negotiations. Eden told Casey that China's Foreign Minister, Chou En-Lai, had offered to recognise the integrity of Laos and Cambodia if the Western powers promised to refrain from placing any bases or airfields in these countries.<sup>131</sup> This was a significant development, and appeared to take negotiations a step closer to concluding along the lines that Casey had hoped. Casey was also buoyed by Eden's assessment that the possibility of armed intervention by the US had now been almost completely ruled out. Thus, the prospect of a negotiated settlement seemed greater. Bedell-Smith confirmed Casey's, and Menzies', earlier ideas that US policy had been misguided when he stated that there 'had been no real clear-cut American policy on Indochina until quite recently'.<sup>132</sup> However, Casey was relieved to learn that the US had now come to largely accept the proposal being promoted by himself and Eden, as evidenced by Bedell-Smith's

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<sup>130</sup> For example, one of the seminal publications on Australia's involvement in the Indochina conflict *Crises and Commitments* by Edwards with Pemberton gave no indication of Casey's role in the formulation of, and promotion of, the proposal to protect Laos and Cambodia while partitioning Vietnam. Similarly, John Murphy's *Harvest of Fear: A History of Australia's Vietnam War*, Allen & Unwin, 1993, pp. 61-77, makes only fleeting mention of Casey's support for partition without elaborating on his role in the creating and promoting the idea.

<sup>131</sup> *Ibid.* 17 June 1954.

<sup>132</sup> Notes on Conversation between Mr. Bedell-Smith and Mr. Casey, 17 June 1954. NAA, A4968, 25/23/1, part 4, p. 1.

statement that Chou's proposal to protect Laos and Cambodia was 'valuable'. Bedell-Smith elaborated on America's response to the idea of partition, observing that they 'fully recognised that the fact of partition was inevitable', they just preferred to use a different term such as 'division of authority'.<sup>133</sup> The US position, as expressed by Bedell-Smith, illustrates that Casey's vision for the resolution of the crisis seemed closer to fruition.

On 18 June, Casey discussed the situation in Indochina with Chou En-Lai. He welcomed Chou's initiative in regard to Laos and Cambodia, expressing the wish for his proposal to survive the detailed discussion it would be subjected to. Chou responded that both sides of the conflict wanted to preserve the 'integrity, autonomy and unity of Laos and Cambodia', although Chou tempered his view by stipulating that no bases be placed in Laos or Cambodia.<sup>134</sup> Casey saw no reason why this request could not be granted, but argued that the Chinese would have to respond in kind. At Chou's insistence that elections needed to be held in Vietnam at the soonest possible juncture, Casey sought to stay his hand, suggesting that a period of at least 12 months would have to pass before this could happen.<sup>135</sup> After consideration, Chou agreed with Casey's assessment. Casey made a concession to Chou by acknowledging that the West had 'a great deal' more to lose in Indochina than China had and expressed the belief that a 'generous and helpful' Chinese attitude would 'pay great dividends'. This appears to have been a veiled reference to the prospect of recognition. Casey was thus attempting to entice Chou to have a positive outlook in negotiations. However, Chou denied Casey's assertion that China had anything to gain, although he did acknowledge the importance of the Conference. Casey's discussion of this issue with Chou further emphasises that Casey was trying to exert a positive influence on the major participants of the Conference, even if his own involvement only extended to that of observer.

*'Hope of good weather': The Geneva Conference draws to a close.*

Casey's meeting with Chou represented his final significant meeting before departing Geneva. During a press conference in London the following day, he reiterated the

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<sup>133</sup> Ibid, p. 2. A description of Casey's conversation with Bedell-Smith can also be found in Casey's diary entry for 17 June 1954. NAA, M1153, 33.

<sup>134</sup> Casey diaries, 18 June 1954. NAA, M1153, 33.

<sup>135</sup> Ibid.

Australian Government's belief in the necessity to 'exhaust every possible means' to arrive at a negotiated solution to the conflict, and he voiced the need for as many Asian countries as possible to be associated with any settlement reached.<sup>136</sup> Casey expressed an increased feeling of hope, most notable in his statement that there were 'hopeful signs in the sky. A week or two ago there were rumblings of distant thunder. The sky has cleared in recent days and there is hope of good weather'.<sup>137</sup> Casey's experience at Geneva, and his own ability to openly discuss the means to end the crisis with protagonists from both sides, had clearly given him the impression that a result was imminent. Casey's confidence had evidently been drawn from Chou's decision to accede to the idea of maintaining the integrity of Laos and Cambodia, a development which Casey considered to be the 'turning point' of the conference.

Casey also took the opportunity to highlight the importance and benefits that had come from his efforts to increase Australia's presence in Asia through the establishment of diplomatic posts in the region. Casey noted the 'usefulness' of the posts and observed that the policy of having Australia's 'own men on the spot' in the region was 'beginning to pay off'.<sup>138</sup> The accuracy of Casey's statement was shown throughout the conference in Geneva, and in Casey's own assessment of the situation in Indochina, in that he and his government demonstrated a more realistic and informed approach to the negotiations than their American counterparts. Given the fact that the US was finally taking an interest in the region, a situation Australia had strived to achieve in previous years, it would have been easy for the government to simply adhere to America's policy on the issue. However, Casey's policy of increasing Australia's ties with Asia had succeeded to such a degree that Casey and the Australian Government had a greater perspective on the issue than they might previously have had. Casey and his department's contribution to this greater understanding of the region cannot be underestimated in this instance.

Casey's increased confidence that the Conference was drawing to an end was proven correct when, on 17 June, the French Government headed by Joseph Laniel was replaced by a new administration led by Pierre Mendés-France, who stated as part of

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<sup>136</sup> A record of Casey's press conference in London can be found in his diary entry for 18 June 1954.

Ibid.

<sup>137</sup> Ibid.

<sup>138</sup> Ibid.

his mandate that he would resign if a settlement to the crisis was not achieved by 20 July.<sup>139</sup> In the weeks following the installation of the Mendés-France Government, Casey spent much of his time in the United States. In the aftermath of Mendés-France's ultimatum, Casey's instructions from cabinet remained the same, with the decision made on 24 June that Casey should be informed that the 'irreducible minimum' requirement of the Australian Government was that Laos, Cambodia and Thailand be protected under any agreement.<sup>140</sup> This actually gave the impression that cabinet was prepared to concede all of Vietnam, although cabinet discussion of the matter included considerable discussion of the need to emphasise Australia's defence to the likes of Churchill.<sup>141</sup> Thus, although cabinet still endorsed Casey's policy, an element of division and concern remained.

On 29 June, Casey met with Dulles at the State Department, where he was told that Mendés-France would be able to broker an agreement which would allow for the Viet Minh to control the northern part of the country.<sup>142</sup> The degree to which the State Department had come to accept that part of Vietnam would have to be conceded was shown in Dulles' discussion with Casey, in which he focused on how the new arrangement in Indochina would materialise. For example, Dulles asked Casey what he believed should be the 'line' on which the division of the country should be made. Casey took this opportunity to again emphasise the need to protect Laos and Cambodia, stressing that any decision on where to draw the line would first be reliant on 'neutralising' these nations.<sup>143</sup> Casey's devotion to increasing support to Asia and engendering better ties with the region was also demonstrated by his appeal to Dulles that there was a need for 'increased economic aid and technical assistance' in the region.<sup>144</sup> Casey considered that the low living standards in many countries of Southeast Asia created a 'fruitful seed-bed' for communism, and he observed that it would be of little use to save a portion of Vietnam if the non-communist part were to 'spontaneously' develop communism later.

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<sup>139</sup> Edwards with Pemberton, op cit, p. 143.

<sup>140</sup> Cabinet minute, 24 June 1954. NAA, A4907, 3.

<sup>141</sup> Cabinet notebook, 24 June, 1954. NAA, A11099, 1/19, p. 20.

<sup>142</sup> Casey diaries, 29 June 1954. NAA, M1153, 33.

<sup>143</sup> Ibid.

<sup>144</sup> Ibid.

This argument provides greater illumination of Casey's policy in that it shows that he was not seeking to promote closer ties with Asia regardless of the communist menace in the region. He considered that greater involvement by Western powers in the region might prevent the onset of communism. Despite this, it is evident that, even after leaving Geneva, Casey continued to try to exert an influence over his foreign counterparts even though he was actually not directly involved in the talks being conducted on the issue. He strived to ensure that a negotiated settlement was reached and he also sought to encourage international support for the future development and protection of the region, which again illustrates the Asia-centric nature of Casey's foreign policy. Yet, although Casey remained dedicated to creating better ties with Asia, he was also aware of the need to maintain US interest in the region. This was shown in his statement to Dulles during an ANZUS meeting in Washington in which he expressed Australia's great appreciation of the 'initiative and interest' the US had shown in the 'disturbed' Southeast Asian area. Thus Casey sought to achieve a balance between the need to become more involved in Asia and the need to placate the Americans.

*Settlement achieved: Negotiations at Geneva conclude, 21 July 1954.*

On 15 July, after returning to Australia, Casey spoke to Amos Peaslee, who expressed the US's extreme reluctance to sign any document which was also signed by Communist China, as this might imply that the US recognised the PRC.<sup>145</sup> Casey again attempted to encourage the US to acknowledge any settlement, drawing Peaslee's attention to the armistice in Korea as an example that the US could sign a declaration, which in that case had included Chinese and North Korean signatures, without giving any indication that they endorsed the regime of their co-signatories. Thus, Casey continued to try to influence his foreign counterparts to come to an agreement, even if it was at long distance. As Mendés-France's deadline drew nearer, Casey expressed his anxiousness that Mendés-France's ultimatum had offered the communists the chance to 'hold him up to ransom'.<sup>146</sup> Casey assumed that the communists would use the deadline as a means of gaining the best possible result from the negotiations, with the proposed partition line being driven further south and the prospective election date being brought further forward.

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<sup>145</sup> Casey diaries, 10 July 1954. NAA, M1153, 33.

<sup>146</sup> *Ibid*, 17 July 1954.

As it happened, on 21 July Mendés-France achieved his goal, with a ceasefire in Indochina announced. The 'Final Declaration of the Geneva Conference' decided that Vietnam would be divided at the 17<sup>th</sup> parallel, with the Viet Minh controlling the northern part of the country.<sup>147</sup> It was determined that the demarcation line would not be considered to be a 'political or territorial boundary', and that the representatives of the two zones would be expected to begin discussions about holding elections as from July 1955, with the intention that they be conducted in July 1956. The terms of the ceasefire therefore bore significant resemblance to the proposal put forward by Casey. Although Casey had never taken any direct part in the negotiating process, his efforts to convince the representatives of the nations involved in the settlement of the merits of protecting Laos and Cambodia while accepting the partition of Vietnam constructively contributed to the debate. The importance of Casey's role in Geneva was not lost on K.C.O. Shann, who noted during the final weeks of the conference that

From this distance it does seem that the Minister has had something of a personal triumph in that what he has described all along as the 'Australian attitude of mind' seems to have been largely accepted as the basis for a reasonable and non-forcible settlement by both the United States and the United Kingdom.<sup>148</sup>

Shann clearly considered that Casey had played a considerable part in bringing the vastly opposing policies of the US and the UK closer together. Furthermore, Shann believed that Australia's role in 'hanging onto the coat tails of the United States', which he acknowledged had occurred 'quite a little bit', had been useful in preventing adverse actions by the US, which would only have led to open conflict with China, and possibly Russia. In addition to Casey's positive influence over the US, Shann also acknowledged the Minister's contribution to enhancing the understanding of Asian nations such as India, Burma and Indonesia of the problems and dangers that they faced if a successful settlement to the Indochina crisis could not be found. Keith Officer concurred with Shann's view, deeming that the West had done 'very well at Geneva' and that both Casey and Alan Watt had 'played their roles extremely

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<sup>147</sup> Edwards with Pemberton, op cit, p. 144.

<sup>148</sup> Letter from Shann to Officer, 1 July 1954. Papers of Sir Keith Officer, NLA, MS2629/1/1880.

well'.<sup>149</sup> Shann and Officer's views were shared by Menzies, whose initial statement noting the conclusion of the conference, made on the morning of 22 July, emphasised his 'appreciation' of the importance of Casey's role during the Conference in presenting Australia's views on the issue with 'clearness and effect'.<sup>150</sup> Shann and Officer's assessment of Casey's activities throughout the negotiations in Geneva, combined with Menzies' public statement, adds further weight to the assessment that Casey played an important role in devising a viable solution to the conflict and also in promoting this idea to the protagonists. This further illuminates Casey's positive approach to relations between Australia and Asia and his dedication to finding a means to conduct meaningful relations between the Western powers and Asia.

Casey's role in the resolution of the Indochina conflict illuminates his ability as a diplomat. While he may not have been the most adept politician, in particular in terms of his performance in cabinet throughout his tenure, he was an extremely effective and confident communicator when operating on a world stage. Casey was in his element during events such as the Geneva Conference. Canada's Foreign Affairs Minister, Lester Pearson, was aware from the beginning that Casey was a consummate diplomat, suggesting that

Casey is obviously going to do the job – at least at international conferences – in a very different way from his predecessors, and I think he will be more successful in making friends and influencing people...<sup>151</sup>

Pearson obviously appreciated Casey's more congenial approach in comparison to the brusque manner of both Spender and Evatt, and Casey's performance at Geneva accentuates Pearson's point. That Casey was invigorated by his role at Geneva was confirmed by H.A. McClure Smith and Keith Officer, who both attested that Casey was 'looking extremely well'.<sup>152</sup> Officer was particularly conscious of Casey's increased verve, noting that he was 'in much better form than I had seen him for a

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<sup>149</sup> Letter from Officer to Shann, 9 September 1954. Ibid.

<sup>150</sup> The content of Menzies' statement can be found in Casey's diary entry for 22 July 1954. NAA, M1153, 33.

<sup>151</sup> See Margaret MacMillan and Francine McKenzie(eds), *Parties Long Estranged: Canada and Australia in the Twentieth Century*, University of British Columbia Press, Vancouver, 2003, p. 211.

<sup>152</sup> See letter from McClure Smith to Officer dated 23 June 1954, and letter from Officer to McClure Smith dated 21 July 1954, in the Papers of Sir Keith Officer, NLA, MS2629/1/1869 and MS2629/1/1890

long time'.<sup>153</sup> Casey's involvement in the Conference had clearly had a positive effect on him, in terms of health and confidence, which was reflected in his performance in cabinet, which provides a further indication of why Casey enjoyed success in cabinet in this instance as opposed to the cases analysed in previous chapters.

*Cabinet unease: Discussion of the ceasefire, 22 July 1954.*

The ceasefire in Indochina again prompted cabinet to discuss the issue. Casey described the meeting as 'not an easy discussion' due to the unease felt by many members at the prospect of elections taking place in Vietnam, considering the common assumption that this would result in the country coming under complete Viet Minh control.<sup>154</sup> With the resolution of the actual conflict in Indochina and the safety of Laos and Cambodia seemingly assured for the time being, the fear of the proposed elections would inform much of Casey's and his colleagues' thinking in the years following the Geneva Convention. Although Casey noted that the final agreement corresponded closely with cabinet's previously stated policy, he pointed out that it was a 'bad arrangement'.<sup>155</sup> However, he remained convinced that the 'alternative would have been worse – continued war and atom war'. Menzies agreed with Casey's assessment when broaching the subject of how Australia should respond to the Declaration. He determined that Australia should 'note' the Declaration rather than approving it, as it was 'not a victory' and he believed that the communists would still take control of the 'whole of Vietnam within 2 years'. This shows the degree of disquiet at the prospect of elections being held. Page and Holt made their opposition to the Declaration clear, with Page suggesting that the outcome at Geneva was 'a defeat' and Holt questioning the leniency of the agreement and whether the UK had ignored Australia's advice on the matter.<sup>156</sup> Casey responded to these attacks by suggesting that 'nobody could suggest a better solution'.<sup>157</sup> Thus Casey maintained that the Declaration had adequately resolved the problem while avoiding continuing or escalating conflict.

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<sup>153</sup> Letter from Officer to McClure Smith dated 10 June 1954. Papers of Sir Keith Officer, NLA, MS2629/1/1855.

<sup>154</sup> Casey diaries, 22 July 1954. NAA, M1153, 33.

<sup>155</sup> Cabinet notebook, 22 July 1954. NAA, A11099, 1/19, p. 46.

<sup>156</sup> *Ibid.*, p. 49.

<sup>157</sup> *Ibid.*, p. 50.

While many members of cabinet were critical of the British role in the negotiations, believing that Eden had been too lenient, Casey applauded the UK Foreign Minister's role in the Conference.<sup>158</sup> Casey instead condemned the US approach to the conflict, implying that they were inflexible in their attitude, as proven by their inability to meet with Chou En-Lai or to sign any document that was also signed by Peking. Even individuals such as McEwen, who was 'not going to complain' about the agreement as the result had been inevitable, was fearful that the US would feel 'let down' by Australia's attitude. As was shown Holt questioned UK motives, and deemed that their interest in the area 'was only small' and that their strategic interest in the region differed greatly from Australia's. Menzies himself questioned Eden's decision to avoid calling the line between north and south a partition. Much was again made of the need to mollify the Americans and increase their involvement in the region through the introduction of SEATO. Yet, Casey sought to defer any outward display of Australia aligning itself more closely with the US rather than the UK, concluding that, regardless of how Australia decided to respond to the Declaration, it was important not to publicly criticise either the US or the UK.

*Emerging from the 'dark cloud of war': Aid to Indochina*

In the period following the cessation of hostilities in Indochina, Casey turned his focus to finding ways to ensure the stability of the newly formed states in Indochina, particularly South Vietnam. In terms of the proposed elections, Casey expressed the growing sense that the elections might not take place, observing that there was 'hope' in the fact that the two parties had to agree to terms, which Casey could not foresee happening.<sup>159</sup> In fact, Casey favoured making the line between North and South Vietnam a permanent border. Casey raised the issue with his Canadian counterpart, Lester Pearson, conceding that elections would not be 'easy to bring about' and speculating that the dividing line between north and south could become a 'de facto boundary'.<sup>160</sup> Although Casey agreed with the terms of the Geneva settlement, he clearly hoped that South Vietnam could be retained as a separate entity to the north, considering there was no prospect of a positive result at elections. This does not alter

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<sup>158</sup> Ibid, p. 45.

<sup>159</sup> Casey diaries, 22 July 1954. NAA, M1153, 33.

<sup>160</sup> Letter from Casey to Pearson, 13 August 1954. NAA, A1838, 3014/2/1, part 3, p. 2. Pearson responded to Casey on 3 September, stating his appreciation of Casey's concerns, but conceded that Canada had yet to fully investigate the problems which might be caused by the prospective elections. Letter from Pearson to Casey, 3 September 1954. NAA, A1838, 3014/2/1 part 3, p. 1.

the positive assessment of Casey's policy towards Asia; it simply reinforces the notion that his amenable approach to the region did not constitute a slackening of his opposition to communism.

Casey wished to strengthen the position of South Vietnam in the event that elections did occur. This caused him to increase Australia's efforts to provide support to the region. On 17 August Casey approached the Policy Committee of cabinet with the idea that Australia should send relief to Saigon to assist with the refugee problem which had resulted from the partition of the country.<sup>161</sup> Subsequently, on 19 August, External Affairs released a press statement highlighting Australia's decision to aid the resettlement of refugees from the north in the south of Vietnam.<sup>162</sup> Casey was innately aware of the need to reinforce the stability of the Indochina region. On 6 October, during a Colombo Plan Conference in Ottawa, Casey spoke to the Canadians about how the Plan could be applied to Laos, Cambodia and South Vietnam.<sup>163</sup> He observed that these countries would be incapable of meeting the normal requirements of Colombo Plan aid, and that it would be necessary to 'help them to help themselves'. The importance Casey placed on aiding Indochina was shown when he stated that 'their case was the most urgent of all the countries we had to deal with, by reason of their recent emergence from the dark cloud of war with the inevitable dislocation that this entailed'.<sup>164</sup> Having achieved his goal of safeguarding Laos and Cambodia, while retaining a portion of Vietnam, Casey was eager to ensure that these new entities had the best possible chance of surviving. Although there is little doubt that Casey was driven by a need to prevent the further spread of communism, it is also apparent that he more than many of his colleagues and counterparts understood the need to provide support to Asian states. By increasing the strength of free Asian countries, Casey foresaw the increased possibility of achieving his goal of creating friendly, productive relations between Australia and its northern neighbours.

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<sup>161</sup> Message from Casey to Tange, 17 August 1954. NAA, A1838, 3012/10/15, part 2.

<sup>162</sup> Press statement from the Department of External Affairs, 'Relief of Indo-China Refugees', dated 19 August 1954. NAA, A1838, 3012/10/15, part 2.

<sup>163</sup> Casey diaries, 6 October 1954. NAA, M1153, 49B.

<sup>164</sup> *Ibid.*, 8 October 1954.

*Increased presence: Casey's efforts to promote closer ties between Australia and Indochina*

Following the upheaval of 1954, Casey continued his efforts to strengthen the Indochinese states in early 1955. In January 1955, Casey announced the opening of a Mission in Cambodia, in Phnom Penh.<sup>165</sup> Although the Australian Minister-designate to the region represented all three states of Indochina, until this time the base for representation had been in Saigon alone. Thus Casey sought to aid the defence of Indochina by immediately increasing Australia's involvement in the region. During February, Casey accentuated the degree of importance he was placing on Indochina by visiting the area himself. While this trip was designed as a means of ascertaining a greater understanding of the new circumstances in Indochina, and to assess the aid that would help prevent further communist expansion in the region, it also presented Casey with the opportunity to meet with Ngo Dinh Diem, the Prime Minister of Vietnam, who came to power during the negotiations in Geneva, after the fall of Dien Bien Phu, and was now almost entirely responsible for the running of the country.<sup>166</sup> Although Bao Dai remained Head of State, he had resided in France during the previous 18 months and had lost considerable influence and favour with the local population. A meeting with Diem, which would allow Casey to accurately assess the ability of the Vietnamese leader, was therefore one of Casey's main priorities.

After meeting with Diem for the first time, on 12 February, Casey came away with a less than complimentary appraisal of the Vietnamese leader. Casey determined that Diem was 'not very inspiring' and considered that he seemed to be either 'shy or nervous'.<sup>167</sup> Despite Casey's adverse assessment of Diem, he received a number of indications from foreign counterparts which indicated that Diem was beginning to have a positive impact. General Lawton Collins, the Special American Representative to Vietnam, told Casey that the French should be convinced to give Diem their full support.<sup>168</sup> Hugh Stephenson, the British Ambassador, was more circumspect in his assessment, declaring that during the early months of Diem's Government there had been considerable pessimism among foreign observers about the future of the South

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<sup>165</sup> See press statement, 'Australian Legation for Cambodia', 7 January 1955. NAA, A4529, 1/1/2/1955, part 1.

<sup>166</sup> A draft document by the Foreign Affairs Sub-Committee on Vietnam details Diem's rise to power in Vietnam. NAA, A1838, 3020/2/1, part 3, p. 3.

<sup>167</sup> Casey diaries, 12 February 1955. NAA, M1153, 49C.

<sup>168</sup> *Ibid*, 13 February 1955.

Vietnamese Government.<sup>169</sup> However, Stephenson believed that since December 1954, Diem had 'at last started to work and get some grip on affairs', and most experienced observers now rated the Diem Government a 'fifty-fifty chance of survival'. Stephenson's views on Diem were shared by General Ely, the High Commissioner for France in Indochina, who informed Casey of 'significant improvement' in the Diem Government in recent times.<sup>170</sup> Casey was being presented with the view that the Diem Government, despite its flaws, was the only realistic option if South Vietnam was to be prevented from falling to the communists.

Yet South Vietnam was not Casey's only concern in regard to Indochina. His subsequent visit to Laos, and to a lesser extent Cambodia, revealed that the rest of the region was also in a precarious state. In Laos, Casey was made aware of the increasing activity of the Pathet Lao, a communist-led rebel movement, which was particularly strong in the north-eastern provinces. Casey was so convinced of the need to support Laos that he assured the Crown Prince that he would raise the country's plight during the imminent SEATO Conference in Bangkok.<sup>171</sup> Casey's concern for Laos was increased by the comments of the French High Commissioner at Vientiane, Breal, who claimed that Laos would be lost to communism if action was not taken soon, and might be lost regardless. He determined that governmental, technical and economic assistance would be required to give the Laotians a 'good fighting chance'. In both Laos and Cambodia Casey identified the need for the local inhabitants to gain a better understanding of English.<sup>172</sup> Casey raised the prospect of training Cambodian students in Australia and offered Cambodia the services of an Australian teacher to assist in the teaching of English. Casey made a similar offer while in Laos.<sup>173</sup> Casey was obviously determined to ensure that the newly independent states in Indochina had the best possible opportunity to develop. On 21 February, upon departing Indochina, Casey assessed that there was a real chance of fighting breaking out again and he argued that, although Vietnam was the most likely site of future conflict, problems existed in Laos and Cambodia which might cause them to 'blow up in our

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<sup>169</sup> Ibid, 13 February 1955.

<sup>170</sup> Ibid, 14 February 1955.

<sup>171</sup> Ibid, 19 February 1955.

<sup>172</sup> Ibid, 15 February 1955. Reference to aid Casey proposed to send to Cambodia and Laos can also be found in a cablegram from Casey to the Acting Minister for External Affairs and Plimsoll, on 22 February 1955. NAA, A1838, 3012/10/15, part 2.

<sup>173</sup> Casey diaries, 18 February 1955.

faces'.<sup>174</sup> Casey concluded that he could not 'help being impressed with the urgency with which help is needed', and he surmised that there may only be 'a year in which to work'. Casey realised that action would have to be swiftly taken if Indochina was to be saved from further communist advances.

On 23 February, Casey addressed the SEATO Conference in Bangkok, and emphasised the plight of the Indochinese states.<sup>175</sup> While noting that South Vietnam, Laos and Cambodia were not members of SEATO, Casey claimed that they were, at present, the three countries most threatened by communism. Casey articulated his thoughts on South Vietnam, the 'most immediately and directly threatened' country, and appealed that assistance be given to the Diem Government. Casey praised Diem, claiming that he had made 'substantial progress' in recent months and had commenced measures to fortify the country in defensive, political and economic terms. Casey pointed to the forthcoming deadline for talks to commence between Diem's Government and the Viet Minh as the main reason why it had become urgent to give the 'fullest assistance' to Diem and South Vietnam. Casey argued that the imminence of the talks between North and South also ruled out any prospect of replacing Diem at this 'late and critical stage'. In addition to this, Casey identified the need to offer 'urgent help and advice' to Cambodia and Laos, as he had determined that 'it would be wrong to believe that if South Vietnam holds, Laos and Cambodia will be safe'.

The full extent of Casey's evaluation of the situation was displayed in a message sent to Menzies in June. As discussed in the previous chapters, Casey told Menzies that the most important goal for Australia in Southeast Asia was the creation of 'stable, democratic and friendly governments'.<sup>176</sup> Casey envisaged these regimes as 'buffer states between ourselves and the communist drive to the south'. Casey foresaw using every 'weapon in our armoury' – such as diplomatic relations, increased cultural relations, economic support and even unnamed 'less respectable activities' – as major components to achieve this initiative. These statements clearly referred in large part to the situation in Indochina, and particularly South Vietnam. While Casey had been

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<sup>174</sup> Ibid, 21 February 1955.

<sup>175</sup> A full description of Casey's speech to the SEATO Conference in Bangkok can be found in his diary entry for 23 February 1955. Ibid.

<sup>176</sup> Letter from Casey to Menzies, 18 August 1954. NAA, M3401, 21, p. 2

prescient enough to realise that Viet Minh control of North Vietnam had to be conceded, he obviously was eager to avoid losing any further ground to communist forces in the region. Although Casey's foreign policy focused on creating better ties between Australia and Asia, evidence such as this reaffirms that this did not represent any decrease in his opposition to communism. In fact, Casey's drive to increase Australia's involvement in Asia clearly corresponded with his desire to repel further communist expansion in the region. While his decision to endorse partition gave the appearance that he was acting outside the predominant Cold War paradigm, his statements in this instance show that his ideas were not completely at odds with the common consensus. He simply had a different understanding of how the attendant problems of the period should be tackled; believing that increased interaction with the region was a more reasonable way to achieve the West's needs than confrontation and standoff.

It is evident that, from the very beginning, Casey had become aware of the pressing need to offer assistance to all three Indochinese states. His previous activities aimed at strengthening Australia's diplomatic ties in the region were reaping dividends, enabling him to gain a fuller perspective of the problems faced in the region than had previously been possible. Furthermore, Casey's decision to make his own visit to the region emphasises the degree of importance he placed on maintaining close relations with Asia. Even though he had established greater presence by Australian diplomats in the region, Casey chose to gain a first-hand account of the political atmosphere which also provided the leaders of the newly established states with clear evidence of Australia's support for their endeavours. Although it has been suggested in various historians that Casey's policy was somewhat dictated by the mandarins within the department, most notably Tange, it is clear that the Minister was prepared to take a hands-on approach to increasing Australia's ties with Southeast Asia. Casey's policy was therefore a product of his own understanding of the needs of the region, in addition to the advice he was receiving from various members of the department.

*Election standoff: Diem's refusal to discuss elections in Vietnam, 1955.*

Diem's intransigent attitude towards the issue of elections proved to be a major source of anxiety as the deadline for negotiations to commence, 20 July 1955, drew nearer.

Diem continued to avoid making any conciliatory statement on the matter.<sup>177</sup> On 7 July Tange informed McBride, acting as Minister in Casey's absence, that the department believed there was 'no practical way of evading the consultations'.<sup>178</sup> This conclusion was reached regardless of Diem's insistence that his government had not signed the Declaration and was therefore not bound by it. Yet Tange was not conceding that the elections should take place. Tange actually hoped that negotiations would reach an impasse, as was shown by his statement that it was

...essential that the unworkability of elections should be demonstrated to the satisfaction of world opinion before the inevitability of the division on the model of Korea and Germany is publicly accepted.<sup>179</sup>

Thus, the External Affairs Department envisaged that, despite discussions taking place, the *status quo* could be maintained. In a later summation of Australia's position, it was noted that any elections that were proposed during discussions would need to be 'genuinely free', and it was considered that Diem would be justified in resisting any arrangement which did not incorporate this requirement, and should not compromise on these terms.<sup>180</sup> It was also argued that Diem was a 'genuine nationalist' whose 'difficulties must be appreciated'. Although External Affairs endorsed adhering to the spirit of the Geneva Agreement, it was obviously prepared to compromise to some degree if it meant safeguarding South Vietnam from communist expansion. On 20 July the Viet Minh presented the French with a formal letter addressed to Diem's Government proposing that the two sides meet to discuss the election issue.<sup>181</sup> However, despite pressure from France, the UK and the US, Diem refused to accede to the wishes of his Western contemporaries.

Diem's continued obstinacy on the issue of elections, combined with his decision to decrease the protection of members of the International Commission in Vietnam, caused Alan Watt, then Australian Commissioner to Singapore, to suggest that a

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<sup>177</sup> Memo from Tange to the Acting Minister on the issue of elections in Vietnam dated 7 July 1955. NAA, A1838, 3014/2/4/1, part 1, pp. 1-2.

<sup>178</sup> *Ibid.*, p. 2.

<sup>179</sup> *Ibid.*, p. 3.

<sup>180</sup> 'Guidance' cablegram from External Affairs to all posts dated 14 July 1955. NAA, A1838, 3014/2/4/1, part 1, p. 3.

<sup>181</sup> See cablegram from Australian Embassy in Washington, dated 26 July 1955. NAA, A1838, 3014/2/4/1, part 2.

'friendly' Australia might need 'to tell him in the clearest possible terms that he is over confident'.<sup>182</sup> Watt understood that Diem might be the 'sole person who can rally the non-communists', but he was concerned that Diem may have 'reached the stage where he believes he can ignore international reactions'. Watt clearly believed it was time to attempt to force Diem's hand. However, McNicol was not in agreement with Watt, believing that it would be unwise to criticise Diem for focusing on domestic policy at the expense of international relationships.<sup>183</sup> McNicol was adamant that 'consolidation of the domestic situation is vital'. McNicol argued that Diem was actually lacking in confidence due to inexperience and the extent of the domestic crisis he faced, and that this prompted his seemingly adverse policy. Watt responded that he was trying to draw attention to the possibility that a situation could arise where 'Diem calls the tune but expects SEATO to pay the piper'. Watt realised that Australia had to convince the US, as well as Diem, of the validity of its views, as Diem was in a position to 'ignore the advice of every other country provided he is sure of continued American support'. Although it had been concluded that Diem represented the best option to lead South Vietnam, Watt believed that his belligerence could not be allowed to continue unchecked. Watt's attitude reinforces that there was a trend within External Affairs to not simply kowtow to the wishes of the US.

Casey chose to take the advice of his former Secretary, asking McNicol to convey a personal message to Diem. Casey expressed, as a 'friend of Vietnam', his concern that members of the International Commission were not receiving adequate protection from Vietnamese forces. Casey told Diem that Australia was 'anxious to see the international standing of Vietnam....further enhanced', and he argued that the contribution of the International Commission was crucial to this outcome. Casey did not wish to see South Vietnam 'lose the sympathy of many countries which are at present well disposed'. Diem's response to Casey's message shows the extent to which Casey's efforts to promote friendship between Australia and South Vietnam had succeeded. Diem noted that Casey's message contained a 'sincerity betokening real friendship' and he thanked Casey warmly for the 'sympathy with which you have

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<sup>182</sup> Cablegram from Watt, at the Australian High Commission in Singapore, to External Affairs, dated 8 August 1955. NAA, A1838, 3012/10/1, part 2.

<sup>183</sup> Cablegram from McNicol to External Affairs, 10 August 1955. NAA, A1838, 3012/10/1, part 2.

consistently followed the development of the situation in Vietnam'.<sup>184</sup> Diem acknowledged Casey's concerns and sought to allay his fears by stating that the source of those concerns had been dealt with immediately. Diem recognised the support that Australia had offered to Vietnam and he concluded that Australia was 'in the front rank of the Powers which helped Viet Nam at the time of its first entry into international life'.<sup>185</sup> This exchange between Casey and Diem demonstrates that, although Casey had come to the realisation that Diem provided the best hope of leading South Vietnam, he was not prepared to allow Diem to overstep the boundaries of international protocol. In supporting Diem as the most able leader in Vietnam, Casey sought to ensure that he acted in a way that would lend itself to gaining the widest possible support. Casey's decision to take this course of action, although on friendly lines, demonstrates the degree of importance he placed on creating a strong regime in Vietnam which had significant support from a variety of nations.

In October 1955, Diem authorised the holding of a referendum designed to determine whether Bao Dai should remain as Head of State in Vietnam. Bao Dai sought to assert his authority by dismissing Diem. Diem refused to acknowledge Bao Dai's action and subsequently won the referendum and declared the Republic of Vietnam, with himself as President.<sup>186</sup> Australia regarded these events as being a domestic affair.<sup>187</sup> Bao Dai was not looked upon favourably by the Department of External Affairs, with it being noted that he had resided in France in the recent past and had 'played no direct part in the government of the country'. The Australian Government resolved to accept whatever course of action was decided by the referendum. It was assumed that the referendum would result in a victory for Diem, and it was determined that Australia should co-ordinate its approach with the US, the UK and France. It was decided that, upon notification of the result of the referendum the Australian Government would express its desire to continue 'friendly relations' between itself and South Vietnam. The alteration of the political landscape in Vietnam provided vindication for Casey's decision to endorse Diem as the best candidate to lead Vietnam. Casey decided from the outset that Bao Dai was not the best option to lead Vietnam, and swiftly identified

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<sup>184</sup> Letter from Ngo Dinh Diem to Casey dated 13 October 1955. NAA, A1838/10/1, part 2, p. 1.

<sup>185</sup> *Ibid.*, p. 2.

<sup>186</sup> Biographical note on President Ngo Dinh Diem. A1838, 3014/10/10/1, part 1.

<sup>187</sup> Cablegram from External Affairs to the Australian Legation in Saigon, 24 October 1955. NAA, A1838, 3014/10/1 part 1A.

Diem as the most viable alternative leader, which exhibits Casey's understanding and foresight in regard to the Asian political climate.

*Resounding endorsement: Diem's achievement of stability in Vietnam, 1956*

Diem's attainment of power in Vietnam led to a degree of stabilisation in the region during the next twelve months. Diem's now total control of the affairs of South Vietnam allowed him to ignore any appeals to negotiate with North Vietnam over elections, as he could now legitimately argue that his regime had no link to the signing of the Geneva Agreement. The increased strength of Diem's grip on power in Vietnam also caused the Australian Government and its External Affairs Department to support Diem's intransigence on the issue. In January 1956, the department issued a savingram to its posts which commented that pressure should not be placed on the Diem Government to undertake negotiations with the Viet Minh, as it was argued that any elections that were agreed to would not be free in North Vietnam and would only result in the Viet Minh obtaining control of the whole of Vietnam.<sup>188</sup> The department's expressed aim was for South Vietnam to be 'retained in non-communist hands' and it was determined that the only 'practicable' way of achieving this goal was to secure international recognition of the idea that Vietnam should remain divided. Thus, the department now openly endorsed the idea that South Vietnam would become a permanent fixture.

Casey's support of Diem was demonstrated in his parliamentary statement on 30 May 1956. Casey noted that Diem had received 'a resounding endorsement' of his authority during elections in South Vietnam, and he commended Diem's ability to establish himself as 'a responsible and democratic leader'.<sup>189</sup> Casey believed that Diem and his government should be complimented on their achievements in Vietnam which '12 or 18 months ago did not seem possible'.<sup>190</sup> Despite Diem's continued refusal to undertake the initiatives outlined in the Geneva Agreement, Casey had clearly chosen to provide his fullest support to the new President. Having fought so hard during the Geneva Conference to have the idea of dividing Vietnam accepted by

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<sup>188</sup> See document entitled 'Future of the International Commissions in Vietnam and Laos', 19 January 1956, p. 2. NAA, A1838, 3012/10/1 part 2.

<sup>189</sup> See extract of Casey's reply to a question in the House of Representatives, 30 May 1956. NAA A1838, 3014/10/1, part 1A, pp. 1- 2.

<sup>190</sup> *Ibid*, p. 2.

his Western counterparts, Casey was now determined to ensure that this new entity would have the greatest chance of surviving. While Casey's endorsement of Diem's Government was no doubt based on the need to provide a satisfactory bulwark against the further advancement of communism, the level of his support, as represented through his statements and his actions, such as increasing Australian representation in the region and undertaking his own visits, shows the degree of importance Casey placed on creating a stable political climate in Asia which would provide the foundation for establishing closer ties between Australia and the region.

The impact that Casey's support of Vietnam was having was shown in comments made during a meeting between he and Nguyen Huu Chau, the Minister in the Presidency of Vietnam.<sup>191</sup> Casey pointed out that Australia had backed Diem from the outset, to which Chau responded that the Vietnamese fully understood this fact. Chau asserted that Vietnam regarded Australia's contribution to be 'at least equivalent, in its value to them, as American aid' in that the Vietnamese realised that Australia was 'not one of the great and powerful nations of the world'. Casey's efforts to assist South Vietnam and strengthen its resolve had clearly had a considerable impact. This was confirmed further, when Chau noted that Diem was considering making a trip to Australia during 1957. Casey's advocacy of Diem continued during SEATO discussions the following year, when he again sought to emphasise the 'dynamic leadership' of the South Vietnamese President.<sup>192</sup> Casey stated that

I do not think any of us expected that South Vietnam would have progressed so dramatically.... over the last year or eighteen months in particular. President Diem has had a most difficult task and he deserves all the support and bolstering up that any of us can give him.

Casey even raised the prospect of including South Vietnam as a member of SEATO, although he acknowledged that there were significant obstacles in the way of such a move. Casey instead urged his foreign counterparts to give South Vietnam all of the 'diplomatic international recognition' that could be afforded it, and that any members who did not have a diplomatic post in South Vietnam should rectify this oversight.

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<sup>191</sup> Casey diaries, 12 December 1956. NAA, M1153, 39.

<sup>192</sup> Casey included a detailed account of his speech to a secret session of the SEATO Conference in his diary entry for 12 March 1957. Ibid.

Casey also urged those present to give aid in other ways, such as through the auspices of the Colombo Plan, as Australia had done. Casey was evidently confident that the situation in South Vietnam was progressing well and that, with appropriate assistance, the situation could remain stable for the foreseeable future.

*Improving relations between Australia and South Vietnam: Diem visits Australia, 1957.*

Much of Casey's, and the department's, attention during 1957 was devoted to activities which would strengthen Australia's relationship with South Vietnam. Although a proposal to establish a South Vietnamese diplomatic legation in Canberra was ruled out,<sup>193</sup> plans were still being made which would give an overt indication of the degree to which Australia sought to support South Vietnam. As had been touched upon during Casey's discussions with Nguyen Huu Chau, Diem had raised the prospect of visiting Australia during 1957. On 11 April Casey informed the Australian Legation at Saigon that it could 'informally encourage' Diem to visit Australia.<sup>194</sup> Diem accepted the Australian Government's invitation, agreeing to travel to Australia in early September. The timing of Diem's visit created one major problem for the External Affairs Department, in that Casey was committed to attend independence celebrations in Malaya at the precise time Diem had chosen to make his tour. Diem expressed surprise that Casey would be absent.<sup>195</sup> Casey apologised for his inability to be present when Diem arrived in Australia, but promised to meet him later in the year, during the Colombo Plan Conference in Saigon.

In the context of the thesis, Casey's absence somewhat diminishes the importance of discussion of Diem's visit to Australia. However, it was still made clear during Diem's tour that the Australian Government was determined to promote the cause of South Vietnam and increase its international prestige. For instance, Menzies' public statement about Diem's visit emphasised the President's 'deep faith, uncommon

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<sup>193</sup> This proposal was made by F.J. Blakeney, the newly appointed Minister in charge of Australia's Legation at Saigon, in a letter to Tange, 8 May 1957. NAA, A1838, 3014/10/7, part 1. Both Tange and Diem agreed that the proposal was not viable and that South Vietnam's efforts should be focused on maintaining its internal stability.

<sup>194</sup> Cablegram from External Affairs to Australian Legation in Saigon, 11 April 1957. NAA, A1838, 3014/10/10/1, part 1.

<sup>195</sup> Letter from Blakeney to Tange, 29 July 1957. NAA, A1838, 3014/10/10/1, part 1.

character, courageous determination and compelling vision'.<sup>196</sup> Furthermore, Menzies claimed that Diem's Presidency had 'become remarkable in the eyes of the world'. Menzies offered Australia's assistance to Diem, stating that 'no great man and no small country can stand secure without friends'. He also noted that Diem came to Australia 'bearing with him friendship' and that he would be 'assured of friendship in return'.<sup>197</sup> It is therefore clear that the Australian Government, through its actions in inviting Diem to visit, and through its words upon his arrival, was intent upon giving its full support to South Vietnam.

The positive rhetoric expressed by Menzies was paralleled by the Department of External Affairs. On 2 September, Plimsoll sent a report to the Acting Minister, aimed at assessing how Australian officials should handle the President.<sup>198</sup> For example, Plimsoll urged that Diem should be given the impression that Australia was prepared to discuss 'matters of substance', and it should be underlined that Australia appreciated Diem's efforts to rally Vietnamese support.<sup>199</sup> Plimsoll also considered it necessary to suggest that 'Australia and other free countries have something to learn from him' and that Western nations had 'benefited from his firm stand'. Plimsoll emphasised Australia's support of South Vietnam was not a recent development. He noted that Australia 'never gave up hope even when things looked blackest', and pointed to Casey's visit to Saigon in early 1955 as evidence of this.<sup>200</sup> Plimsoll noted that, at one time Diem had considered that 'Australia and the United States were almost the only countries that seemed to think he could survive'. Plimsoll also highlighted Australia's Colombo Plan aid and its diplomatic representation in the region. Plimsoll touched upon the nature of Casey's foreign policy when he stated that Australia's 'broad foreign policy' was to be 'on friendly terms with the countries of Asia, to counter communism, and to resist Chinese expansion'.

The need to emphasise the positive relationship between Australia and South Vietnam, and boost the profile and prestige of Diem was reflected by the joint

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<sup>196</sup> A draft of Menzies statement was sent to the Australian Legation in Saigon, for approval by the President, on 31 August 1957. NAA, A1838, 3014/10/10/1, part 2, p. 1.

<sup>197</sup> Ibid, p. 2.

<sup>198</sup> See document entitled 'Visit if President Ngo Dinh Diem', sent by Plimsoll to the Acting Minister on 2 September 1957. NAA, A1838, 3014/10/10/1, part 3.

<sup>199</sup> Ibid, p. 1.

<sup>200</sup> Ibid, p. 2.

statement released by Diem and Menzies on 9 September 1957.<sup>201</sup> Diem referred to the ‘long-standing interest’ Australia had shown in South Vietnam, to which Menzies responded that Australia could ‘always be relied on by the Republic of Vietnam’.<sup>202</sup> Menzies offered to increase the number of Vietnamese students studying in Australia and proposed to increase Australian Colombo Plan aid to South Vietnam, with the provision of ‘non-military supplies’ to the Vietnamese Civil Guard being one suggestion. The positive effect Diem’s visit to Australia had on the President was shown when Casey met Diem in October, during Colombo Plan discussions in Saigon. Diem ‘spoke with great appreciation of what he had found’ during his time in Australia, and he believed Australia provided a ‘much better model’ for Vietnam to base itself on than the United States.<sup>203</sup> The sentiments expressed by both Menzies and Plimsoll show that the Australian Government was intent upon offering its full support to Diem, to the extent that all efforts would be made to boost his profile and his prestige. Although this was no doubt a result of Australia’s wish to promote a government that was resisting communism in Asia, it still provides an important indication of the importance placed on strengthening Australia’s presence in, and relationship with, the Southeast Asian region. Casey’s role in this re-orientation of Australia’s foreign policy during the 1950s cannot be underestimated.

#### *Diem’s flaws.*

Yet, the positive assessment of Casey’s, and his government’s, role in assisting the establishment of a stable and effective government in South Vietnam is tempered by the fact that Diem’s regime was misappropriating US financial aid. Diem chose to rule as little more than a dictator – relying on the narrow support of wealthy merchants, large landowners, the Catholic community, and members of his own family – rather than implementing socioeconomic reforms which would have widened his support.<sup>204</sup> In following its extensive financial and military aid to the French effort to resist communist forces in the early 1950s, the US provided substantial assistance to Diem. Between 1955 and 1961 the South Vietnamese Government received approximately 1.7 billion dollars in financial assistance from the US, on top of the

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<sup>201</sup> The text of the joint statement of Diem and Menzies was sent to foreign posts by the Department of External Affairs on 9 September 1957. NAA, A1838, 3014/10/1, part 2.

<sup>202</sup> *Ibid.*, p. 2.

<sup>203</sup> Casey diaries, 25 October 1957. NAA, M1153, 49D.

<sup>204</sup> Robert J. McMahon, *The Limits of Empire: The United States and Southeast Asia since World War II*, Columbia University Press, New York, 1999, p. 78.

vast military support provided.<sup>205</sup> Had this aid been appropriately employed then Diem's regime may have enjoyed greater longevity. Instead the aid was appropriated by Diem's narrow list of influential supporters, whose best interests were served by maintaining the existing system, as opposed to instituting economic reforms.<sup>206</sup> The greater South Vietnamese population, represented in large numbers by landless peasants, received nothing of the millions provided to the government, and were often subjected to brutal treatment if they opposed their leader.

Despite the flaws and inadequacies of the Diem regime, Casey and his Western counterparts continued to support the South Vietnamese government. It could be argued that this constituted a lack of foresight on Casey's behalf, as he should have envisioned the eventual breakdown of the South Vietnamese Government if it chose to ignore the needs of its citizens. However, Casey's response in this case closely corresponds with his reaction to the leadership of Bao Dai. While Casey was aware that Bao Dai did not possess the greatest leadership skills, he recognised that Dai was the best available option and that it was crucial to provide a counterpoint to Ho Chi Minh and the Viet Minh. Therefore, regardless of the inadequacies of Bao Dai and Diem, Casey chose to support the leader which he considered to be more attuned to Western ideals. While Casey may have been open to commencing negotiations with the communist regime in China, where the fight to prevent a communist takeover had already been lost, he was not about to endorse the installation of a new communist government in Southeast Asia. Thus Bao Dai, and then Diem were supported despite their inadequacies. Casey recognised the need for Southeast Asian nations to be governed by members of their own nation. He realised that the days of colonial governance were over. He simply sought to encourage the installation of regimes in the region that would be more attuned to Western ideals and which would be able to withstand communism. Casey and his US counterparts should have been more circumspect as to how the aid provided to South Vietnam was utilised, but Casey's continuing support of Diem in spite of his deficiencies does not entirely diminish the positive assessment of Casey's outlook towards Southeast Asia.

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<sup>205</sup> Edwards with Pemberton, op cit, p. 197.

<sup>206</sup> McMahon, op cit, p. 78.

*Deterioration of the situation in Laos: 1959.*

In the final years of the decade, with the increased stability of South Vietnam under Diem, the Australian Government's attention turned to the more pressing issue of ensuring that Laos remained free from communist control. The significance of Laos became particularly pronounced during 1959 with the increasing adverse activity of the Pathet Lao in the country's north. The Pathet Lao had taken control in the two northern provinces of the country, Phong Saly and Sam Neua, in the years leading up to the Geneva settlement in 1954.<sup>207</sup> Fighting between the Pathet Lao and the Royal Laotian Government [RLG] was then brought to a halt by the Geneva Accords, with the Pathet Lao being granted permission to regroup in the two northern provinces until a political settlement of the dispute could be achieved.<sup>208</sup> It subsequently seized full control in the north, refusing to cede authority to the RLG. In 1957, following lengthy negotiations, the RLG reached an agreement with the Pathet Lao which granted the rebel movement acceptance as a legitimate political organisation, which in turn resulted in the inclusion of Pathet Lao representatives in the government, the national military and administration. In return, the Pathet Lao allowed the RLG to regain control of the northern provinces.

Yet the process was not as simple as had been envisaged. In May 1959, under the terms of the agreement signed in 1957, the RLG sought to integrate two battalions of Pathet Lao forces into the Royal Laotian Army.<sup>209</sup> However, one of the battalions refused to accept the terms required to complete the integration process and instead chose to regroup near the eastern border of Laos, near the border with North Vietnam. The RLG responded by declaring that the breakaway force was in rebellion, which in turn led to the commencement of hostilities between rebel and government forces in July 1959. The rebel forces, bolstered by former members of the Pathet Lao forces which had been disbanded after the agreement of 1957, commenced operations against the government in the north eastern province of Sam Neua. The RLG argued that the North Vietnamese were assisting the rebellion and sought international aid to assist in withstanding the onslaught.

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<sup>207</sup> A description of the history of the Pathet Lao's activities in Laos can be found in a document presented to Cabinet by the Acting Minister for External Affairs, Sir Garfield Barwick, on 7 September 1959. NAA, A1838, TS 410/4/4/1 part 1.

<sup>208</sup> Ibid, p. 1.

<sup>209</sup> Ibid, p. 2.

*Protectors against aggression: Cabinet discussion of the Laos crisis, September 1959.*

The worsening political situation in Laos forced the Australian Government to again face the prospect of responding to US calls to intervene in a conflict on the Asian mainland. This time the Department of External Affairs was represented in cabinet by the Acting Minister, Sir Garfield Barwick, who occupied the role whilst Casey was overseas attending a number of meetings, including the Australian Heads of Mission Conference in Bangkok, the UN Assembly in New York and a SEATO Conference in Washington. On 7 September, Barwick presented a paper to cabinet aimed at updating his colleagues on the crisis and gaining an understanding of how the Australian Government should respond.<sup>210</sup> In short, Barwick argued that the SEATO powers should seek to engender an atmosphere of support for Laos in the UN while promoting the idea that the country was being attacked by hostile communist forces. Although Barwick assessed that UN action should precede any SEATO initiative, he was adamant that Australia should be prepared to support overt SEATO action. He also wished to ensure that the United States was given every indication that Australia would carry out its duties of repelling communist advances in Southeast Asia, as was called for under the terms of the SEATO Treaty. Barwick was therefore endorsing Australia taking a much firmer stand in this instance than had been evident during the 'United Action' crisis in 1954.

It could be assumed that, considering Casey was still in charge of External Affairs his views on this issue would correspond with those being put forward by the department in his absence. However, that was not entirely the case. Barwick was taking a much more hands-on approach to cabinet discussion than might be expected of an Acting Minister. On 8 September Barwick sent a personal message to the Cabinet Secretary, E.J. Bunting, suggesting that he should make an amendment to the draft cabinet decision he was compiling. Barwick asked that a paragraph should be added which would stress that, although Australia was 'sensitive to Asian attitudes', it 'should not be unwilling to appear as one of the protectors of an Asian Government against aggression or subversion by Communists'.<sup>211</sup> The decision had included the likelihood that SEATO might be 'put firmly to the test', but had also emphasised that

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<sup>210</sup> 'Note for Cabinet: Laos', presented by Barwick on 7 September 1959. NAA, TS 410/4/4/1 part 1.

<sup>211</sup> Message from Barwick to Bunting, 8 September 1959. NAA, A1838, TS 410/4/4/1 part 1.

it was preferable for the situation to be dealt with by the UN.<sup>212</sup> Much was made of the need to have high level talks with the US on the matter, with the UK attitude only being given cursory regard. It was argued that Australia should make it known to the UK that the holding of Laos was crucial and that UK concurrence and assistance should be sought in reaching Australia's objective. Evidently, the US role was taking precedence. Yet the need to entertain taking physical action in the affair was clearly not coming through strongly enough in Barwick's opinion, and therefore his amendment was added to the decision, forecasting joint Australian and United States military action in the matter.<sup>213</sup>

Following cabinet's decision, Barwick cabled Casey in London to inform him of the decision and to encourage him to make Australia's thoughts known to the UK Government and the State Department, during Casey's imminent visit to Washington.<sup>214</sup> Most notably, Barwick asked Casey to publicly 'avoid anticipating a need for drastic action' and he stressed that Australia still supported the role of the UN; however he did not wish for Casey to 'play down the seriousness of the situation nor suggest that active intervention can be easily avoided'.<sup>215</sup> Barwick wished to ensure there was no misunderstanding over Australia's willingness to act. Casey subsequently had a meeting with Selwyn Lloyd, who was then Secretary of State for Foreign Affairs in the UK Government. Lloyd agreed that it was essential to prevent Laos from becoming communist but was anxious to avoid any American or SEATO action on the matter for the time being, as it would have an adverse effect on Asian opinion.<sup>216</sup> Furthermore, Lloyd favoured the US 'doing it alone' if intervention was to be undertaken, particularly considering they had not been a party to the Geneva Agreements and were therefore not bound by them. Lloyd believed that any action by those who were a party to the Agreements would raise the ire of the Russians. Lloyd also questioned the purpose of intervention, arguing that the Malayan example demonstrated that action in such difficult terrain would be 'long and not very fruitful'.

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<sup>212</sup> Cabinet Minute, Decision No. 442, 8 September 1959. NAA, A1838, TS 410/4/4/1 part 1.

<sup>213</sup> The paragraph included at Barwick's request can be found on page 3 of the Cabinet Minute. Ibid.

<sup>214</sup> Cablegram from Barwick to Casey, 9 September 1959. NAA, A1838, TS 410/4/4/1 part 1.

<sup>215</sup> Ibid, p. 2.

<sup>216</sup> Cablegram from Casey to Barwick, 9 September 1959. NAA, A1838, Ts 410/4/4/1 part 1, p. 2.

Despite his reservations, Lloyd expressed gratitude at receiving the Australian Cabinet's views and indicated that they were, in essence, close to his own.<sup>217</sup>

*Divergence between Casey and Cabinet: September 1959.*

Although Lloyd had considered his views approximated those of the Australian Government, Tange was less convinced. Upon receiving Shann's advice as to Lloyd's stance on the issue, Tange responded that his position 'scarcely meets our own'.<sup>218</sup> Tange urged Shann to ensure that the UK Government was made aware that Australia did not believe that the preservation of Laos and Southeast Asia was 'beyond either the means or the interests of the West'. Tange also disputed Lloyd's belief that the United States' insistence that there could be no withdrawal from the region could be 'set aside'. Tange placed equal importance on the holding of Laos as he did on the need to secure the Offshore Islands or Berlin. The sentiments expressed by Tange and Barwick illustrate the growing tide of opinion within External Affairs which favoured the conclusion that armed intervention in Laos was becoming increasingly likely and necessary. Thus the mood in the department had shifted even further towards supporting US initiatives since the initial call for 'united action' in 1954. However, as was the case in 1954, Casey maintained his less than emphatic attitude on military involvement in Asia. On 7 September he reported to Barwick that, in an exchange with an ABC representative, he had emphasised that a political solution to the issue through the UN was 'much preferable' to any military initiatives.<sup>219</sup> Furthermore, Casey stated that military action in Laos by outsiders would 'almost certainly induce further North Vietnam forces to take part', which in turn would result in the possibility that 'small beginnings' would lead to a 'formidable conflict with unpredictable results'. Therefore, while the sentiment in the department seemed to be increasingly inclined towards SEATO military action being taken, Casey continued to search for means to avoid conflict and sought a negotiated solution.

Casey's deviation from the stated policy of the Australian Cabinet was also addressed by P.R. Heydon, who noted that Casey was expressing the view that the situation in

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<sup>217</sup> Ibid, p. 3.

<sup>218</sup> Telegram from Tange to Shann, 9 September 1959. NAA, A1838, TS 410/4/4/1 part 1.

<sup>219</sup> Cablegram from Casey to Barwick, 7 September 1959. NAA, A1838, TS 410/4/4/1 part 1.

Laos had improved and had 'quietened down'.<sup>220</sup> Heydon believed that it was necessary to 'counter this', and urged Tange to advise Barwick to reinforce Australia's policy in the Sydney press. Heydon suggested that, while it should be emphasised that Australia hoped for a stabilisation of the situation, it should also be stressed that 'the question of the role of SEATO is to be kept in contemplation'. Heydon also questioned whether Barwick needed to send a message to Casey to inform him of the fact that the press in Australia was reporting his statements in such a way as to suggest that there was 'a difference of opinion between himself and the government'. Additionally, Heydon believed that Casey's statements were inconsistent with those being espoused by Barwick and that this needed to be addressed. Casey's devotion to finding negotiated solutions to conflicts, and his belief that relations with Asia should be nurtured at all costs, had begun to cause friction within the department at a time when there was a growing sense that military intervention in Laos was becoming necessary.

The degree to which Casey's statements were causing consternation was amply illustrated by the fact that Tange chose to contact Casey himself on the matter, informing the Minister that he was 'worried' about the effect his statements were having.<sup>221</sup> Tange was concerned that Casey was giving the impression that he believed that the sending of a UN Mission to Laos would be sufficient to end the crisis, which in turn gave the impression that Laos could be saved without the use of military measures. Of even greater concern to Tange was Casey's references to the dangers of 'force being met by force', which, when combined with his support of a political solution to the conflict 'reads like a flat rejection of military intervention to help Laos'. Tange noted that these sentiments were in direct contrast to those being voiced by other Ministers, who were emphasising the fact that UN action might not succeed in preserving Laos which would mean that military action might become a necessity. Tange therefore urged Casey to avoid giving further 'public impressions of differences within the government'. Tange's sentiments indicate the extent to which Casey's reading of the situation in Laos and Southeast Asia now differed from many of his colleagues. While Casey had been able to convince his colleagues of the inadvisability of armed intervention during the crisis in Indochina in 1954, he was

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<sup>220</sup> Message from Heydon to Tange, 11 September 1959. NAA, A1838, TS 410/4/4/1 part 1.

<sup>221</sup> Cablegram from Tange to Casey, 11 September 1959. NAA, A1838, TS 410/4/4/1 part 1.

now facing much sterner opposition. The fact that he continued to advocate a negotiated solution to the conflict, despite this opposition, shows that he was not prepared to simply lay down his principles so as to follow the party line. While he may not have been the most forceful voice in cabinet, and often had difficulty convincing his colleagues of the validity of his policy, Casey's continued dedication to encouraging closer, friendlier ties with Asia as a means of avoiding conflict further illuminates the positive nature of his policy.

In ensuing days Barwick continued to promote the need to have greater contact between Australia and the US, and also sought to encourage the development of military planning in regard to intervention in Laos. On 11 September 1959 Barwick noted that the effort to get a US commitment to 'intervene if occasion demands' had been successful.<sup>222</sup> He also dismissed Lloyd's suggestion that the US should act alone, believing it was now necessary for Australia to persuade other members of SEATO to accept that, if the circumstances called for it, military action would be taken by the Organisation. Barwick wished to avoid SEATO being presented as 'a façade for United States power or as completely inept or insignificant'.<sup>223</sup> On 15 September Barwick told cabinet that there had been a lull in rebel military activity in the previous days but he refused to accept that this represented a move towards political settlement of the conflict.<sup>224</sup> Cabinet decided that all efforts should be directed towards aiding the US in preparing for armed intervention in Laos.<sup>225</sup> Cabinet decided to privately inform the US that, in the event of US action, Australia would be prepared to make forces available, with the possibility of using two destroyers currently in the Malayan area, Army forces stationed in Malaya and RAAF elements.<sup>226</sup> Barwick's need to emphasise the power of SEATO clearly outweighed the need to encourage closer ties with Asia or avoid open conflict in the region.

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<sup>222</sup> Cablegram from Barwick to Casey, at the Australian High Commission in Ottawa, and Beale, at the Australian Embassy in Washington, 11 September 1959. NAA, A1838, TS 410/4/4/1 part 1, p. 1.

<sup>223</sup> *Ibid.*, p. 2.

<sup>224</sup> Note by the Acting Minister for External Affairs, presented at Cabinet Meeting on 15 September 1959. NAA, A1838, TS 410/4/4/1 part 1, p. 1.

<sup>225</sup> See cablegram from External Affairs to the Australian Embassy in Washington, 15 September 1959. NAA, A1838, TS 410/4/4/1 part 1, p. 1.

<sup>226</sup> *Ibid.*, pp. 1-2.

Although Barwick was only acting in Casey's absence, his prominent role on this matter again suggests the degree to which Casey was being sidelined during the latter part of his tenure as Minister for External Affairs. As with the case of West New Guinea, where Menzies dominated during the Subandrio discussions of 1959, Casey had been relegated to the role of observer when it came to the conduct of Australia's foreign affairs. In the late 1950s Casey appeared to be acting more as a statesman abroad than as the spearhead of policy discussion. His gradual decline in influence can be attributed in part to the loss of stature which resulted from his failed bid to obtain the Deputy Prime Ministership and his performance during the Suez crisis in 1956. However, it is also evident that his inability to obtain cabinet approval for many of the policy initiatives he made during the mid 1950s, during the department's most adventurous and prolific period, resulted in Casey's personal loss of confidence. Furthermore, his inability to have many of the policies proposed by his department endorsed by cabinet no doubt eroded his standing among his colleagues, in particular men such as Tange, who instead sought to take a more authoritative approach. Casey's role in discussion of the Laos crisis was thereby greatly diminished.

*'Where can we stop?': Casey's rejection of intervention.*

Yet despite his decreased influence within the department, Casey refused to accept that US or SEATO intervention represented the right course of action. On 17 September, while at the United Nations in New York, Casey wrote to Barwick and Tange to reiterate his reservations about taking military action in Laos. Although Casey saw advantages in conducting military planning with the US he was 'anxious' about the possibility of SEATO 'or anyone else' taking action in Laos.<sup>227</sup> Casey reasoned that understanding of the present military situation in Laos was 'vague' and lamented the lack of concrete evidence to support calls to intervene. Casey again pointed to the fact that the dispute was, on present evidence, simply of a local nature, in that it was between the disaffected Pathet Lao battalion and the RLG. He therefore questioned whether overt action by Western powers would have the support of local inhabitants, which again highlights Casey's desire to accede to the wishes of the native populations of Asian nations. Casey was not completely ignorant of the validity of Barwick and Tange's position, noting that there was a need to convince Asia that

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<sup>227</sup> Cablegram from Casey to Barwick and Tange, 17 September 1959. NAA, A1838, TS 410/4/4/1 part 1, p. 1.

SEATO was not a 'paper tiger'. He also acknowledged the need to avoid losing another country to communism, and foresaw the benefits to Australia's relations with the US in 'not hanging back when action might be required'.<sup>228</sup> Yet he remained reluctant to commit himself to a policy of forcing the rebel forces to relinquish the northern provinces of Laos. He instead believed that any SEATO action should be directed towards preserving the RLG by providing support in the major centres such as Vientiane and Luang Prabang. Casey's fear of the effect of military intervention was most sharply expressed when he stated that

What worries me about [the] possibility of military intervention is [the] difficulty of seeing where we would be going. Where can we stop? Is the West going to be committed to a long drawn out period of campaigning or garrison duty?<sup>229</sup>

Casey drew comparison between the situation in Malaya and that which might result from entering into conflict in Laos. He therefore argued that it was necessary to gain a much greater understanding of what the 'feasible' military objective of SEATO might be if action in Laos was undertaken.<sup>230</sup> Casey clearly understood that intervention in Indochina would not result in a swift end to hostilities which, considering the situation that would evolve in Vietnam, would prove to be a salient point. Given Casey's more astute understanding of the situation in Indochina, it would appear that his biographer, Hudson, was not entirely inaccurate in surmising that the course of Australia's involvement in Vietnam might have been vastly altered had Casey been given *carte blanche* to institute his policy as he saw fit.

*An instrument of self-defence: The Australian Government's continued support of SEATO action.*

Despite Casey's continued objections, Barwick and the Australian Government persisted in promoting the likelihood of SEATO activity in Laos. On 17 September, Barwick told Parliament that if Laos appealed to SEATO following an act of 'direct aggression sponsored by the Communist bloc', there would be 'no doubt' that

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<sup>228</sup> Ibid, pp. 1-2.

<sup>229</sup> Ibid, p. 2.

<sup>230</sup> Ibid, p. 2.

SEATO would take action to address the situation.<sup>231</sup> On 22 September cabinet authorised Australian Vice Admiral Sir Roy Dowling, the Chairman of the Chiefs of Staff Committee, to speak to Admiral H.D. Felt, the Commander in Chief of Pacific Command, about action that might be taken in Laos, and the forces Australia would be prepared to commit to the possible campaign.<sup>232</sup> Cabinet noted this did not represent an unequivocal commitment to armed intervention in Laos, yet it was evident that the Australian Government was open to the prospect. However, the continued insistence of his colleagues did not entirely deter Casey's efforts to promote a negotiated solution to the conflict and to temper talk of military intervention.

During a SEATO meeting in Washington on 28 September, Casey maintained that 'every effort should be made to keep Laos out of communist hands by political means in the first place', and that the UN Committee assigned to Laos should be encouraged to remain there for as long as possible.<sup>233</sup> Casey claimed that 'we should play the United Nations hand as long as possible'. Casey agreed with the Secretary of State, Herter, that there was no 'quick solution' to the crisis and he suggested that the lull in rebel activity should be used as a means of bolstering the RLG. It is therefore evident that Casey was not opposed to supporting the Laotian regime, and he was aware of the need to provide assistance. However, he considered that SEATO should be providing civil and other aid', rather than assistance of an overt military nature. Casey also took the opportunity to express his belief that SEATO should not 'become involved in a long drawn out jungle war', which again tellingly forewarned the difficulties that would become evident in years to come.<sup>234</sup> The proposal of a visit to Laos by the Secretary General of SEATO, Pote Sarasin, was also rejected by Casey, who felt that such a visit would infer that SEATO was considering military activity. Considering his previous opinions on the subject, it seems evident that Casey was in fact doing his utmost to restrain SEATO from taking a greater role in the dispute.

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<sup>231</sup> Text of Barwick's statement to the House of Representatives on Laos was included in a cablegram sent from External Affairs to posts in London, Bangkok, Singapore and Saigon on 20 January 1960. NAA, A1838, 3004/13/3, part 13.

<sup>232</sup> Cabinet Minute, Decision No. 452, 22 September 1959. NAA, A1838, TS 410/4/4/1 part 1.

<sup>233</sup> Cablegram from Casey to Barwick entitled 'SEATO Meeting', 28 September 1959. NAA, A1209, 1959/830 part 2, p. 1.

<sup>234</sup> *Ibid*, p. 2.

*'A general lull': The conflict in Laos subsides.*

As it happened, the proposed intervention by SEATO forces never eventuated. The waning rebel campaign saw a gradual decline in tension in the area in ensuing months. On 14 December, as his tenure neared its conclusion, Casey observed in cabinet that, since the last consideration of the issue on 15 September, there had been 'a general lull in military activity and the immediate military threat to Laotian Government has receded'.<sup>235</sup> Casey noted that the RLG had retaken a number of posts in the northern provinces and only sporadic unrest was evident in the central and southern regions. Casey was quick to point out that the reduction in rebel activity had coincided with the introduction of the UN Committee in Laos. Casey outlined the Australian position on the matter by stating that 'we are not yet confident that a renewal of insurgency will be avoided', and it was assessed that UN political involvement in Laos would be required in addition to economic and administrative assistance.<sup>236</sup> Casey also touched upon the difficulties which existed in any proposal for military intervention, with a particular sticking point being the ability to have the UK, France and New Zealand agree on a command structure.<sup>237</sup> Thus, although the immediate danger appeared to have passed, efforts were continued to ensure that SEATO would be prepared to act if there was a resurgence of unrest in Laos.

Casey concluded that, in future, Australian policy should be directed towards encouraging the increased involvement of the UN on a governmental level while mobilising 'effective civil aid and encouragement' to the RLG.<sup>238</sup> Most notably, it was resolved that SEATO military planning should be finalised to a point where 'the capacity exists for effective SEATO intervention if and when the government should decide that the situation in Laos would justify it'. The continuance of support for SEATO intervention was, however, tempered by the understanding that any undertaking should be 'accompanied by action in the United Nations'. Therefore, despite diminished conflict in Laos, the spectre of SEATO intervention in the region remained prevalent. Although Casey had attempted to convince his colleagues that military action in the area was fraught with danger, he had been unable to persuade

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<sup>235</sup> See paper presented by Casey, for information of Cabinet, entitled 'Laos', 14 December 1959. NAA, A1838, TS 410/4/4/1 part 3, p. 1.

<sup>236</sup> *Ibid.*, p. 4.

<sup>237</sup> *Ibid.*, pp. 4-5.

<sup>238</sup> *Ibid.*, p. 5.

the Australian Government to drop its support of the SEATO initiative. Yet, despite this inability to have his more measured approach to the crisis adopted by cabinet, it is still evident that Casey's continual appeals to allow the UN to find a peaceful solution to the crisis had been proven correct. It is also evident from much of Casey's thinking on the subject that he was more aware than many of his colleagues and counterparts of the degree of difficulty that would be faced by the West if it were to become embroiled in a civil dispute on the Asian mainland, which, given the events that were to come, is an illustration of the accuracy of his thinking on the matter.

### *Conclusion*

Casey's response to the crisis in Laos shows that his policy towards the region had altered little throughout the course of the decade. While his colleagues in the Menzies Government were influenced by the ebbs and flows of the Cold War, Casey maintained his measured response to the changing climate in Southeast Asia. Casey continued to advocate courses of action which would avoid conflict and promote closer relations between the West and the newly emerging independent states in the region. From the very beginning of the decade Casey sought to strengthen Australia's presence and influence in Indochina by establishing diplomatic links. As the crisis in the region worsened he took a proactive approach to aiding the region by making numerous visits to Indochina and through providing Australian aid. During the Geneva Conference Casey was one of the first representatives to realise the gravity of the situation in the region, no doubt due to his firsthand experience, which allowed him to formulate a policy which would provide a satisfactory, negotiated, solution to the conflict. When faced with calls for military intervention, Casey was the most prominent voice of dissension in cabinet, and was joined by sufficient of his colleagues to avoid cabinet supporting the proposal. In this case it was shown that, given the right circumstances, Casey was capable of gaining cabinet approval for seemingly unpalatable moves on international affairs. Thus, this case study brings into question those analyses, such as those of Hasluck and Edwards, which suggested that Casey's failure in cabinet was due to his own ineffectiveness.

As was the case in the examples of West New Guinea and recognition of China, Casey's policy towards Indochina was exemplified by a concerted mid-decade rise in activity on the subject which saw the Minister make concerted efforts to maintain the

stability of the region while promoting closer ties. On this occasion, the increase in emphasis on Australia's relationship with the region was driven by external factors, most notably the Geneva Conference, whereas in the previous instances the rise was dictated more by the influence of those within the department, most notably the newly installed Secretary, Tange. Yet it is evident that the more independent elements of the department's response to Indochina, such as the choice to reject American requests to endorse intervention and the decision to concede the loss of North Vietnam to the communists, were not as obviously driven by Tange in this case. In both cases, Casey was foremost in formulating the department's response, with Tange for one, during the 'united action' crisis, expressing sentiments which were much more inclined to accede to the wishes of the State Department. Thus, Edward's suggestion that Tange was the driving force behind the department's approach to Indochina, and particularly the idea of partition, must be disputed. In fact, it was shown that many in the department were slower to accept that all of North Vietnam could not be salvaged. Yet Casey was adamant almost from the outset, that the West should seek to retain as much of Vietnam as possible while safeguarding Laos and Cambodia. Given the predominant Cold War rhetoric existing at the time, in which the United States in particular sought to exert its influence over the affairs of Asian states, Casey's dedication to the right of Asian nations to conduct their own affairs is illuminative of an individual who did not simply adhere to the consensus view.

The prescience and nuance comprised in Casey's policy toward Indochina throughout his decade in office demonstrated that his approach to Australia's northern neighbours was not 'Far East' minded, as Murphy would have us believe. Casey's understanding of the problems faced by the West in preventing communist domination in Southeast Asia was amply illustrated by his continual efforts to prevent military action from being undertaken. While his efforts were, to some degree, dictated by his belief in negotiation and peaceful resolution to conflict at almost any cost, it is clear from that he was more aware than many of his counterparts of the dangers posed by becoming militarily involved in the region. In particular, with Laos, when almost all of his colleagues were endorsing the proposal to have SEATO intervene in the crisis, Casey was a voice of reason who warned of the pitfalls presented by becoming involved in a jungle war. Casey was aware that such a conflict would become a long, drawn-out, affair which would not necessarily provide the result desired by the Western powers.

Casey's more pragmatic attitude was also demonstrated by his continuous assertions that the conflict was driven more by local issues, rather than by the greater communist machine. Had some of his more prominent colleagues and counterparts demonstrated his degree of prescience on the matter, and had the Casey had the ability in cabinet to convince them of the validity of his policy, the course of history in the region in the following decade may have taken on a very different complexion.

## ***CONCLUSION***

The 1950's represented a time of great upheaval for Australia's fledgling External Affairs Department. Richard Casey inherited a department that was vastly under-resourced in terms of representation in the region which was geographically closest to Australia; Southeast Asia. Casey's visit to the region at the very beginning of his tenure opened his eyes to the need for his department to correct this imbalance. Over the course of the following decade he sought to increase Australia's influence and involvement in the region and set about formulating and implementing policies which would achieve this goal. The three case studies undertaken in the thesis provided a significant indication of how the approach of Casey and the department evolved and shifted over the course of the 1950s, in the context of both external and internal pressures and circumstances. It was also illustrated that there were a number of common threads in the way Casey and his department approached policy towards Southeast Asia during this time – the influence of the United States, Casey's understanding of the Cold War, and the divergence between Casey's views and those of his cabinet colleagues.

### *Casey and the Americans*

In each of the case studies analysed, the influence of the United States was found to be of paramount importance to the decisions and actions made by the Australian Government. In fact it could be argued that, in the cases of recognition of China and policy towards the Indochina conflict, one of the main hurdles faced by Casey in cabinet was not simply his colleagues' fear of Asia or communist expansion, but the way in which actions taken by Australia might be adversely perceived in the American Administration. In attempting to have his policies implemented, Casey was constantly confronted by the need to ensure that these policies would not affect relations with the US. In particular in the case of recognition of Communist China, Casey faced a considerable obstacle in gaining his colleagues' support due to the amount of derision such a move would engender in the US. Even the UK decision to offer recognition did little to change the attitudes of many members of cabinet, which clearly highlighted the degree to which Australia was now looking to America to guarantee its security. The creation of the ANZUS Pact and

SEATO emphasised the importance being placed on increasing American involvement in the region, and the need to maintain US interest in defending the South Pacific was continuously proffered as adequate reason to not take any action which might offend Australia's great ally. Yet Casey clearly had a different conception of Australia's relations with the US, believing that his proposal would not fracture relations. Casey believed that the US would appreciate Australia being a strong ally capable of offering alternative advice if required. He did not consider it necessary to be submissive to the US, and was of the opinion that the US would not abandon Australia if it held positions contrary to US policy. Considering Casey's long-term contact with the US State Department, it is safe to assume that his confidence was not misplaced.

The case of West New Guinea offers an interesting contrast to the other areas examined. Here, the Australian Government found itself in a position where its approach was in opposition to the policy adopted by the US. While Australia constantly sought US assistance in preserving Dutch rule of West New Guinea, the US was much more inclined to retain a friendly and approachable regime in Indonesia. Yet, in this case, Casey found himself taking a line which was much more in keeping with the US perspective on the dispute. Casey understood better than most the American's position, realising that efforts to gain US support for the Dutch would almost certainly prove futile and agreeing with the US assessment that cordial relations with Indonesia were crucial to the stability of the region. Casey's preparedness to adopt a policy which supported the US shows the flexibility and independence of his approach to foreign affairs. Casey's desire to draw Australia closer to its northern neighbours is also further illuminated in this case in that Casey chose the course of action most likely to appeal to Asian sensibilities regardless of the US policy on the matter. Casey's belief in the concept of 'cold storage' could be attributed in part to his understanding that the issue could not be resolved in the way Australia hoped, and that the best that could be achieved would be to at least prolong the inevitable until such time that the Indonesian political climate stabilised. The differences in approach, and understanding of US intentions, were most obviously illustrated by the opposing approaches of Spender and Casey. Spender's position in Washington gave him a significant insight into the psyche of the State Department, and he remained adamant

that efforts should be made to attain US support for the Dutch. Casey on the other hand, whose contacts were equally imposing, was less convinced that US support could be achieved. In retrospect, it would appear that Casey's position on the matter was the more accurate, with support for the Dutch position shifting considerably as the decade wore on.

The divergence between Casey's appreciation of Australia's relationship with the United States and that of the majority of his cabinet colleagues was most glaringly emphasised in the Indochina example. In cabinet debates surrounding the 'united action' crisis, Casey was confronted by many dissenting voices, who argued that Australia must follow the Americans regardless of the actions proposed. While acknowledging the importance of relations with the US, Casey was reluctant to support action which he saw as provocative and dangerous. Casey again argued that Australia should present itself as a strong but independently minded ally of the US. In this instance Casey had the support of at least some of his cabinet colleagues, with the most important of these, Menzies, providing one voice of caution, which significantly aided Casey's appeals to avoid joining American planned intervention in Indochina. Even at the end of the decade, when the conflict in Laos was escalating to dangerous levels, Casey maintained his belief that Australia should not be afraid to offend the US by not endorsing the proposed SEATO action, despite the effect that such a move might have on the legitimacy of the alliance. It is evident in each of the case studies that Casey's perception of how Australia's relations with the United States should be conducted was vastly different to the approach of many of his colleagues, which highlights the degree to which Casey was operating outside of the predominant Cold War paradigm.

#### *Casey's Cold War outlook*

Casey's understanding of the Cold War was vastly different to that of many members of cabinet. Casey operated outside of the bi-polar framework of the Cold War that permeated much of the Australian political spectrum, and that of the United States, at the time. This was noticeably evident in his approach to Communist China. Despite the UK's decision to recognise China almost immediately following the PRC's ascension to power, Australia vacillated, preferring to follow the US lead on the matter. Casey was of the

opinion from the outset that the establishment of diplomatic relations and the maintenance of negotiations between China and the West were crucial to the preservation of a peaceful international political climate. As a long-serving diplomat, Casey was conscious of the importance of maintaining dialogue between opposing states, regardless of the divergent doctrines. While the nature of the Cold War, as befits its name, was that the opposing sides were involved in what was effectively a standoff, Casey did not hold to this ideal. Casey exhibited an anxiousness to avoid conflict at all costs, whether in physical terms or in regard to negotiation. Casey conceded that the PRC was in control of mainland China and thus believed that they should be dealt with as the effective government of China. His amenable approach towards China was demonstrated in his discussion with Chou En-Lai during the Geneva Conference and his receptiveness to initiating ties with Peking during the middle of the decade. Cabinet's reluctance to entertain recognising China showed the degree to which Casey was adopting an independent approach to his foreign policy at this time. That Australia would eventually take the course of action endorsed by Casey over a decade after he left office, and only when a Labor administration had been installed, is testament to the degree to which he was ahead of his time on the subject insofar as his Liberal counterparts were concerned.

Casey's appreciation of the Cold War was also revealed in the study of the West New Guinea dispute. Although Casey was reluctant to completely abandon the Dutch, it was clear from the beginning that he approached the dispute with far less conviction than Spender had. Casey was more concerned with the need to nurture friendly relations between Australia and Indonesia. Casey's policy towards this dispute is interesting when it is contrasted against his initiatives in other areas. In this case he was actually more driven by the influence of the Cold War than his cabinet colleagues. He was dedicated to encouraging a friendly, non-communist, Indonesian administration whereas the majority of cabinet was prepared to risk the stability of the Indonesian Government by continuing to oppose the removal of the Dutch from West New Guinea. In the scheme of the Cold War, Casey's stance was more sensible. Yet in the cases of Indochina and recognition of China, Casey's policy was less in line with the predominant Cold War paradigm. This again suggests the independent nature of Casey's policy and the degree of flexibility it

contained. Furthermore, Casey's realisation that the Dutch cause in West New Guinea was futile in the long term, and his understanding that Australia would eventually have to come to an accommodation with Indonesia, emphasised his belief in negotiation and diplomacy as opposed to confrontation and standoff.

Casey's conduct on the issue of Indochina provided the greatest evidence of his flexible approach to the Cold War in that, in this instance he showed a preparedness to concede ground to the communist forces well before the majority of his contemporaries. During the 'united action' crisis Casey was outspoken in his condemnation of American initiatives to become militarily involved in Indochina, again favouring the path of diplomacy and negotiation at all costs. In the face of cabinet protests and under increasing pressure from the US to comply, Casey held to his conviction that open warfare must be avoided. In relation to the actual terms of the settlement of the dispute in Indochina, Casey was one of the first officials to realise that ground needed to be conceded to the communists to arrive at a satisfactory settlement. Although Edwards indicated that Tange was a driving force behind the partition policy, it was Casey who formulated this idea very early in the dispute, and it was his ideas which formed the basis of the document Edwards credited to Tange. While many of his colleagues balked at this idea, Casey's understanding of the conflict was more informed than most in that he recognised that the conflict was of a local nature, rather than being part of the greater communist scheme. Casey's more subtle understanding of international communism, which recognised the intricacies of different national communist organisations and governments was in stark contrast to the more monolithic perception held by many Western politicians, and particularly those of the United States. The extent to which the eventual settlement of the Indochina conflict corresponded with the proposals first arrived at by Casey exemplifies the degree to which Casey was in tune with what was required to stabilise the prevailing international political climate. Casey's more adaptable and sensitive approach to the Cold War further illuminates a character who, in the context of the Australian Government position, had an independent outlook during a time of great international upheaval.

Rather than being simply considered in specific Cold War terms, Casey's undertakings during his tenure could be considered to have been of a *realpolitik* nature, as advanced by Waters. Certainly, Casey's dedication to recognising China due to the inherent reality of the PRC's control of the mainland corresponds with this ideal. Furthermore, the decision to concede ground in North Vietnam and the realisation that the Dutch presence in West New Guinea was not sustainable also support the conclusion that Casey's policy was dictated by the realities of the situations facing him. However, to argue that Casey's policy was simply driven by 'practical diplomacy', as Waters claimed, underestimates the degree of importance Casey placed on encouraging the Australian Government to establish closer links with Asia. It has been shown throughout the thesis that Casey's dedication to encouraging interaction between Australia and Asia permeated almost every facet of his foreign policy, in particular during 1954 and 1955. The three countries focused on were at vastly different stages of their development and followed disparate ideologies, yet regardless of the unique circumstances or the political doctrines concerned Casey remained convinced that nurturing ties with the region outweighed other factors. His handling of US considerations, in being prepared to risk offending Australia's great ally to achieve his goal, testifies to the importance he placed on relations with Asia.

### *Casey and Cabinet*

The final area where a distinct correlation can be found between the three case studies is in Casey's relationship with, and performance in, cabinet. In particular during the middle of the decade, in 1954 and 1955, the differences between Casey and the majority of cabinet were greatly accentuated. Casey clearly had a different understanding of what was important to Australia's well being and how Australia should conduct its affairs in the region. Cabinet was dominated by members who were inclined to think of Asia as being the Far East, rather than accepting the view, adopted by Casey, which more appropriately identified Australia's proximity to Asia by accepting the region as being the near north. It is this detached view of Asia that helped guide cabinet's hand in each instance, with the reluctance to recognise China due in part to a lack of knowledge of the nation. Cabinet's dedication to supporting Dutch claims to West New Guinea could in large part be attributed to the perceived need to keep the Indonesians at a distance, rather

than allowing them to move closer to Australia. The Indochina dispute presented cabinet with a situation whereby, if the Viet Minh succeeded, Asian communists would be one step closer to Australia. Cabinet constantly considered the necessity of defending Australia against Asia, rather than seeking to establish greater ties with the region closest to Australia. This was further illustrated by the insistence of many cabinet members that Australia accede to US wishes at all times, for fear that Australia might offend its greatest ally against attack from the north.

Cabinet's approach was therefore in keeping with the dominant Cold War paradigm, understanding Australia's relationship with the region within the prism of Cold War polarities. Casey, on the other hand, did not consider international affairs in such a black and white manner. Casey had a much more flexible and amenable approach to the region, determining that Australia had to accept the fact of its location and learn to live with its neighbours. His dedication to this approach was demonstrated in all three examples, through his attempts to engender closer ties with both Indonesia and China, and in his efforts to find a solution to the Indochina conflict which would prevent hostilities from breaking out between Asian states, namely China, and the West. The divergence between Casey and cabinet can in part be attributed to the greater domestic focus of many cabinet members when compared to their globetrotting Minister for External Affairs, who was perhaps more distant from the government's use of the Cold War to mobilise popular support. Furthermore, his wide experience in international affairs, even in comparison to the Prime Minister, provided him with an insight into events and circumstances that was beyond many in cabinet. In effect Casey's position and his background dictated that he spent more time looking outward than many of his colleagues. Thus it was always likely that Casey's and his colleagues' views on international affairs would contrast considerably. The comparison between Casey and cabinet further accentuates his uniqueness among Menzies Government ministers during the early Cold War era.

The divergence in opinions therefore shapes the debate as to Casey's performance in cabinet. As was made clear at the outset of the thesis, several scholars and contemporaries of Casey have questioned his ability in cabinet with claims that his

ineffectiveness as a politician led to his constant defeats. Hasluck and Edwards were particularly critical of Casey's performance. The thorough investigation of Casey's appeals to cabinet conducted in the thesis shows that, although Casey may not have been the most adept of performers in cabinet, it was the actual content of his proposals which hampered his success. In the case of recognition of China, Casey was confronted with a cabinet which was reluctant to change its position given likely American hostility to such a move. Casey was inhibited by the fact that Australia would need to make a change to its policy in midstream. Casey inherited a policy on China which had already been set and which, if altered, would have appeared to have been both a major concession to an emerging communist power and a considerable deviation from the stated US stance on the issue. Thus the assessment of Casey's failure to have China recognised by cabinet must be coloured not just by his own abilities but also by the circumstances of the time.

Even when Casey was presenting a policy consistent with American ideals, as in the case of West New Guinea, he was still hindered by the majority of cabinet's dedication to retaining West New Guinea as a bulwark between Australia and Indonesia. It was only when the political climate in Indonesia had altered significantly that Menzies and cabinet adjusted their position on the issue, with the compilation of the communiqué released by Casey and Subandrio. Casey's success in cabinet during the 'united action' crisis and the Geneva Conference, in the face of considerable dissention in both cases, proved that when the circumstances were right he was capable of convincing his colleagues to take action which might be considered unpalatable. The school of thought that blames Casey's failures in cabinet on his own shortcomings therefore needs also to take into account the mitigating international circumstances that accompanied his appeals.

#### *Final Analysis: Casey's legacy*

Casey's energies were initially directed towards strengthening the credentials of the department by increasing the size of Australia's diplomatic corps, with special emphasis being placed on establishing posts in Southeast Asia, such as Saigon. Casey's visit to the region during his first year in office alerted him to the importance of the region and strengthened his resolve to make Australia's relations with Southeast Asia integral to his

foreign policy outlook. Following the formative period of increasing Australia's capacity in the region, Casey's, and his department's, efforts to improve Australia's relationship with its northern neighbours reached a crescendo in the middle of the decade. It is no coincidence that this period of increased activity corresponded with the instalment of Arthur Tange as Secretary of the department. By 1954, Casey had successfully incorporated a number of young, enthusiastic, individuals into the higher reaches of the department which had an immediate impact on policy. These individuals, who were less dominated by the established rhetoric which dictated that Australia should fear Asia, sought to produce and implement policies which could see Australia establish stronger ties with those countries which were in closest proximity to it.

Tange's influence on policy cannot be underestimated, with many of the proposals included in his policy critique subsequently incorporated into Casey's own initiatives. However, Casey's role should not be diminished by this conclusion: it was his decision to promote Tange to the Secretaryship and, as Edwards contended, the shared ideals of the two men may have been a major consideration in that decision. Casey, with his previous history in Asia and his new found appreciation of the region obtained during numerous trips in his formative years in office, encouraged this new direction in policy. It was during this period that Casey made his most determined appeals to cabinet in an effort to alter Australia's pre-existing predilection to opposing any efforts to increase interaction with Asian nations. Yet in all three cases there was a steady decline in the output of the department in the latter part of the decade, in terms of adhering to their previous convictions and successfully having ideas realised. In particular after 1956, Casey's influence and standing within the administration declined to such a degree that by the end of his tenure he had become somewhat marginalised. In particular after 1956, Casey's influence and standing within the administration declined to such a degree that by the end of his tenure he had become somewhat marginalised, with Menzies in particular becoming more vociferous on matters of foreign affairs. This was particularly noticeable given Menzies' prominent role during discussions with Subandrio in 1959, and in regard to the proposal of SEATO intervention in Laos, where Casey's protestations were ignored. Menzies' decision to take up the foreign affairs portfolio himself upon Casey's

retirement emphasised his increased role in the field. There is little doubt that Casey's failed attempt to attain the Deputy Prime Ministership in 1956, combined with his opposing of Menzies during the Suez crisis at the same time, severely dented his standing with his colleagues. Given his advancing years and perceived antiquated style, the likelihood of him regaining the support of his colleagues was slim.

The three case studies undertaken in this thesis have all provided evidence that Richard Casey and the Department of External Affairs attempted to formulate and implement policies that would establish closer relations between Australia and its Asian neighbours during the 1950s. Although Casey may not be considered to have been the deftest performer in cabinet, it is still clear that his continued appeals went some way towards opening the eyes of his colleagues. Casey's, and his department's, positive influence on Australia's relations with Asia can be seen in Australia's restrained policy towards the Indochina settlement and also in the eventual understanding reached between Australia and Indonesia which abandoned Australia's continued support of the Dutch claim over West New Guinea. Although it has been shown that Menzies contributed more to the discussions with Subandrio than Casey, the alteration of Australia's policy towards West New Guinea contained in the communiqué still confirms that Casey's appreciation of the situation was accurate.

While Casey did not win his battle to open relations with China, the subsequent length of time it took to have this issue addressed, which only came after the installation of Whitlam's Labor Government, illustrates that Casey's timing on this issue was never likely to be right, from a Liberal perspective, and that he was well ahead of his time, in an Australian political sense, in his approach to the matter. In all three cases, the issues were eventually resolved in ways that corresponded closely with the proposals put forward first by Casey. In particular, the settlement of the Indochina conflict at Geneva provided significant evidence of Casey's foresight on international matters, in that he recognised very early the need to preserve Laos and Cambodia while retaining as much of Vietnam as possible, although he was realistic enough to realise that Vietnam could not be salvaged in its entirety. His prescience on international matters was perhaps best

highlighted by his continued insistence that Western involvement in a war on the Asian mainland would be a drawn-out, dangerous, affair which would more than likely fail.

It is therefore clear that the existing literature, from scholars such as Lowe, Watt, Hudson and Evans, which suggested that Casey's role in nurturing relations between Australia and Asia, was well founded. However, Murphy's contention that Casey considered Asia to be the 'Far East' rather than the 'Near North', and Whittington's assertion that the Colombo Plan was the only attempt made to further Australia's relations with Asia during the course of the 1950s, must be called into question. In each of the case studies presented, Casey was shown to have a subtle and richly textured understanding of the political circumstances of different countries in Asia; he was also acutely aware of Australia's position within the region and need to establish concrete links with its neighbours. Indeed, the title of his book, *Friends and Neighbours*, is one sign of how Casey perceived Asia. An example of his innate understanding of the finer intricacies of the region's political climate was shown in his conduct during the Indochina conflict, in which he differentiated between the communist Viet-Minh and the greater communist machine in Peking. Casey recognised the nationalistic nature of the Viet-Minh and the fact that the organisation had indigenous sources of support and ideas. He also realised earlier than most the need to discover and encourage a Vietnamese Government which had nationalist legitimacy.

Casey's policies were not driven by the whims of Australia's powerful allies in the United States and the United Kingdom, with his proposals conflicting with both nations at different junctures. He was instead influenced by a constant effort to draw Australia closer to the nations which occupied its own region. Thus Murphy's assertion must be disputed. As for Whittington's claim, ample evidence suggests that Casey made numerous 'attempts' to improve Australia's relations with Asia, and in regard to increasing Australia's representation and understanding of the region he made considerable progress. Whittington is correct in his assumption that little of significance was achieved in respect of policy towards Asia during Casey's tenure, yet it was not necessarily Casey's policies which were at fault; it was the fact that these policies were not able to be

implemented which was the problem. As has been shown, the responsibility for this failure lies more in cabinet's hands than Casey's.

In terms of Casey's position in the history of Australian foreign affairs, he was something of an oddity. The policies proposed during his term in office, if taken in isolation, more closely resemble those associated with subsequent Labor governments. In particular, the policies implemented during the much vaunted Whitlam Government actually bear striking resemblance to those proposed by Casey. Whitlam's decision to recognise China is the most obvious parallel; however, Whitlam's handling of Indonesia and even his withdrawal of troops from Vietnam both appear to be consistent with Casey's thinking. Arguably, had the circumstances confronted by Whitlam been in evidence during Casey's tenure he would have taken a similar approach. In fact, had Casey achieved the goals he desired, the achievements of the Whitlam Government may have been considerably diminished. The difference between the two was the fact that Whitlam himself had the authority to carry out these initiatives and had received the mandate of the Australian public to do so. Subsequently, Casey has been sidelined in history, a somewhat 'forgotten man' when it comes to discussion of foreign policy. When Australia's foreign outlook towards Asia is discussed, the evidence presented by the thesis suggests that Casey should take a much more prominent role than he has previously been afforded. In essence, Casey helped lay the foundation for those who followed him, in particular in regard to his work strengthening Australia's presence in the region. While an orientation towards Asia has not necessarily been a strong area of the Liberal foreign policy tradition, Casey stood outside of this tradition, an exception to the rule, who was perhaps more suited to the Labor tradition of foreign policy represented by Evatt, Whitlam, Evans and Keating.

Regardless of his policy failures, Casey still did much to increase Australia's interaction in Asia through his expanding of the diplomatic service and his insistence that posts be established in territories such as Cambodia and Vietnam. This in turn increased the Australian Government's understanding of the diverse political climate in Asia and its own place within the region, which would contribute significantly to the gradual

reorientation of Australia's foreign policy towards Asia, which would come to recognise that Asia could no longer be considered to be the Far East. This assessment of a key department of the Australian Government during the early Cold War period is enlightening given the predominant understanding of the Menzies Government as an ardently anti-communist government which was fearful of the menace represented by the ever evolving Asian political landscape. Casey and his department were not simply driven by the need to hold back the Asian tide. They instead sought to create a political climate in the region, through negotiation and interaction, which would allow Australia to peacefully co-exist with its northern neighbours, rather than opposing them. History reveals that Casey's policies and ideals were actually much more conventional than they had appeared when contrasted with the views of his colleagues and contemporaries. Had Casey's policy of peaceful co-existence with Asia, in particular in regard to opening diplomatic relations with China, been adopted by the Menzies Government during the 1950s it is almost certain that the subsequent evolution of Australia's interactions in the region would have been vastly, positively, altered.

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