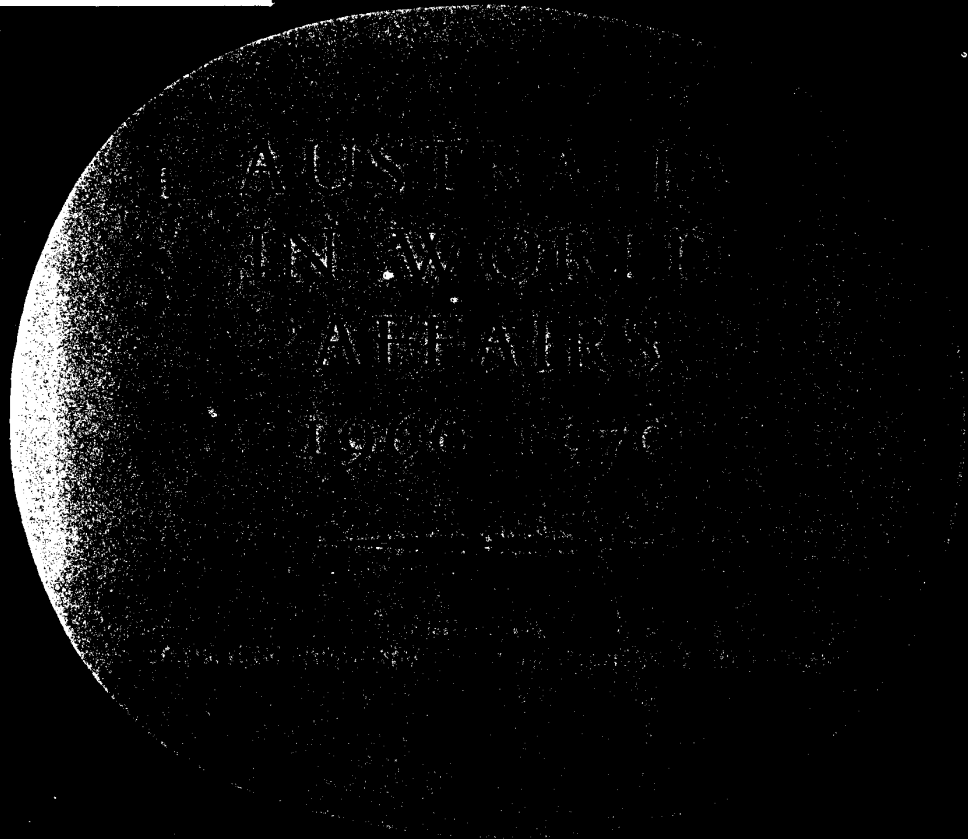


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CONTRIBUTIONS BY
NANCY ANDERSON JAMES ANGEL
H. W. ARNDT HEDLEY BULL
ARTHUR L. BURNS ANTHONY CLUNIES-ROSS
JOHN CRAWFORD GORDON GREENWOOD
NORMAN HARPER W. J. HUDSON
T. M. MILLAR R. S. PARKER
CHARLES PRICE J. L. RICHARDSON
MAX TEICHMANN

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INTERNATIONAL AFFAIRS

in Phuoc Tuy was noted above. There has been some acknowledgement by Australian officers of insufficient understanding of the vital political side of communist insurgency,³⁸ but even had there been greater understanding, the problems would have remained formidable. There was the problem of improved intelligence on the communist cadres. And there were problems associated with South Vietnamese responsibility for examining and sentencing any Viet Cong suspects identified in cordon-and-search or similar operations. In the earlier stages, it was alleged arbitrariness and brutality towards Viet Cong suspects which was criticized in Australia, but in the later stages there were many reports of leniency or reluctance to sentence alleged cadres, whether because of intimidation, insufficient evidence or reluctance to press the civil war to its logical conclusion, was not clear.³⁹ But the alternative, the transfer of this sort of responsibility to the armed forces of an outside power, would have raised far greater political problems, both in Vietnam and on the part of the intervening countries. The relative military success achieved in five years of arduous combat was heavily qualified by the limited political success, and the final outcome, if it were left to the interplay of forces in South Vietnam, depended on those political forces over which the Australians had exercised little influence, and even American economic leverage had by no means implied effective control.

Britain's Withdrawal and the Australian Commitment to Malaysia/Singapore

Although Australia had not placed primary reliance on British protection since 1942, Britain remained a true global power down to the mid-1960s, and indeed in Singapore/Malaysia exercised far greater military power in the post-war period than in the 1930s. Britain's success against the insurgency in Malaya and her skilful use of force in the Confrontation showed that western military power could still serve constructive political purposes in Asia. Australia's contribution to these undertakings had been on an even smaller scale than to the war in Vietnam, serving to reinforce the conception of Australia's role as that of junior partner to one of the great powers.⁴⁰ Malaysia and Singapore had remained unusually dependent on outside support for their security. The magnitude of Britain's role in the region goes far to explain the sense of shock and betrayal experienced in Singapore and Kuala Lumpur, as in Wellington and Canberra, when Britain gradually moved towards withdrawal.

By 1966 it was clear that Britain's global military role was placing a heavy strain on her economy, and that there was an increasing gap between military resources and commitments. Deflationary policies were failing to correct the chronic balance of payments deficit: there was increasing support for currency devaluation and a withdrawal from 'east of Suez'. In February 1966, when the cancellation of further aircraft carrier construction was announced, Mr Christopher Mayhew resigned as Minister for the Navy in protest against the failure to reduce commitments in proportion to resources.⁴¹ The theme of overstretched resources had been a recurring one in British military discussion of the mid-1960s: the success in the Confrontation had exacted its price in terms of service morale. In May 1966 there were reports that a majority of the Parliamentary Labour Party favoured the withdrawal of British forces from Malaysia, though in June Mr Harold Wilson was able to win a vote of confidence in his East of Suez policy.⁴² As the end of Confrontation approached (it

was formally terminated in August), British ministers began to emphasize the possibility of drastic force withdrawals.

However, in statements to her allies Britain continued to reaffirm the policy of remaining in Malaysia and Singapore for as long as those governments wished. In February 1966, Mr Denis Healey stated in Canberra that 'we have no intention of ratting on our existing commitments' and that 'from every point of view it is best to stay [in Singapore] so long as we can do so with the consent of the local people.'⁴³ He raised the possibility of bases in Australia should this consent be withdrawn, and called for a more equitable sharing of burdens. Prime Minister Holt avoided comment on the latter point, referred to exploratory studies of alternative bases but emphasized 'the continuation of the British presence in the area in substantial strength',⁴⁴ a formulation which went beyond Healey's public remarks and served to point up the differences in priorities between the two governments. At the SEATO conference in June, Foreign Secretary Michael Stewart pledged categorically that:

We shall continue to maintain a military presence in this area, and maintain our important military facilities in Malaysia and Singapore for as long as the Governments of Singapore and Malaysia agree that we should do so on acceptable conditions.⁴⁵

The reversal of this policy was precipitated not by a single crisis, but by the continued failure of the economic 'squeeze' to correct the balance of payments or to create conditions for rapid growth, and by the government's reluctance to continue fighting an unpopular battle within the Labour Party for a cause which aroused passionate debate but had little popular appeal. By April 1967, at the latest, Britain had reached a decision on eventual withdrawal. Press reports began to reflect this, Denis Healey visited Singapore and Kuala Lumpur, and at the end of April at a SEATO Council meeting in Washington the proposals were formally conveyed to the Australian government. Prime Minister Holt visited Britain in June, seeking to dissuade the British government from taking any final decision on withdrawal in view of the uncertainties in the region by the time the withdrawal would be fully implemented.⁴⁶

In July, however, Britain announced that half the forces deployed in Malaysia and Singapore would be withdrawn by 1971, the rest by 1973 to 1976. It was indicated that Britain would retain some naval and amphibious forces in the Far East, and interest was again expressed in using base facilities in Australia and developing the island of Aldabra as a staging post.⁴⁷ The Australian government voiced its disappointment very frankly:

We do not overlook the economic problems with which Britain is at present contending. . . . But even so, we very much regret that the British Government should feel itself impelled to plan now for final withdrawal from Malaysia and Singapore at a date so far ahead, and when it is so difficult to predict how the situation in South-East Asia will move.⁴⁸

In the same statement, Mr Holt drew some comfort from Britain's undertaking to honour its commitments under SEATO and the Anglo-Malaysian Defence Agreement, and its retention of some mobile capability in the area.

Prime Minister Gorton reacted even more bitterly when in January 1968

Britain's Commonwealth Secretary, George Thomson, foreshadowed an accelerated withdrawal. He condemned 'drastic alterations of previously understood arrangements', expressed 'keen concern', refused to accept the proposals 'without protest', and urged the British government to make savings in some other area.⁴⁹ On 16 January Mr Harold Wilson announced that the withdrawal would be completed by December 1971 (originally intended for March 1971, but nine months were conceded to Mr Lee Kuan Yew, who pleaded the allies' case in London); in place of the promised mobile presence, there would be 'a general capability base in Europe, including the United Kingdom, which can be deployed overseas'.⁵⁰ The accelerated withdrawal was part of a drastic austerity package, including the cancellation of the order for 50 F-111s, increased social service charges and cuts in public expenditure, which followed inexorably from the devaluation of sterling in November.

The manner in which these decisions were arrived at tended to bring out the worst in both governments: on the British side, the tendency to reiterate firmer pledges than the situation allowed, leading inevitably to a sense of betrayal; on the Australian a failure of anticipation, an apparent blindness to the pressures building up in Britain, a chiding tone and a lack of generosity and gratitude towards a power which had been carrying a disproportionate share of the burden of the security of Australia's own region. Not that there was any viable alternative to the course that was taken. The Australian government was unforthcoming towards British suggestions of base facilities in Australia, but this had always been discussed (in public at least) as an option if Britain should no longer be welcome in its existing bases; whereas in 1967-8 all the local pressure was for Britain to stay. Australia's main interest in the British presence was for its stabilizing tendency in the region to Australia's north, which would have been weakened by a withdrawal to Australian bases. And the overwhelming economic pressures which eventually led to the retrenchment would have had the same effect on plans to base forces in Australia as in Singapore and Malaysia. While the cost to Britain would have been less, the strategic rationale would have been even less compelling.

Early in 1968 it appeared that the Australian government intended to make a prompt commitment to retain forces in Malaysia/Singapore after 1971. The newly chosen Prime Minister, Senator Gorton, campaigning in February for a seat in the House of Representatives, referred to the 'strong desire' of the Malaysian and Singapore governments for an Australian presence and the need to 'seek as far as possible, according to our own resources, to fall in with them'.⁵¹ The Governor-General's speech at the opening of parliament on 12 March declared that Australia 'will be prepared to discuss the size and role of an Australian contribution to continued defence arrangements which embrace a joint Singapore/Malaysia defence effort'.⁵² It is not clear at what point the Prime Minister's doubts began to crystallize, but the government's hesitation became evident after President Johnson's decision of 31 March to de-escalate the Vietnam war and to withdraw from November's presidential election, a decision with far more fundamental implications for Australia's defence assumptions than the British withdrawal. It was after this that Mr Gorton appeared to show interest in 'Fortress Australia' and caused puzzlement by his reference to an 'Israeli-type army' for Australia.⁵³

In these circumstances the five-power conference at senior ministerial level

held in Kuala Lumpur on 10-11 June could reach no decision on the basic framework for the defence of Malaysia-Singapore after 1971, but its communiqué reflected a slight softening in Britain's position and showed that Malaysia and Singapore were responding to pressures to co-operate as a condition for any long-term allied presence. The British undertook to participate in a major five-power exercise in 1971, including an unprecedentedly large reinforcement exercise from the United Kingdom, and 'to continue training and exercising British forces in the area after 1971'.⁵⁴ Malaysia and Singapore accepted the indivisibility of their defence and undertook to assist in working out an integrated air defence system to which Singapore would contribute its planned squadron of Hunters; Malaysia undertook to 'consider additional contributions'. Australia promised to retain its two squadrons at Butterworth and Tengah until 1971, and Australia and New Zealand stated that they would take account of the proceedings of the conference in deciding their long-term defence policies.

By the end of 1968 the government was coming under heavy criticism for the delay in deciding Australia's role after 1971, and public comment was increasingly in favour of a continued commitment. For example, the *Sydney Morning Herald*, which had urged caution early in the year, was now pressing for military involvement.⁵⁵ The announcement on 19 November that Australia would retain its military forces in Malaysia/Singapore until the end of 1971 was anti-climatic, while the announcement on 3 January that the battalion would be moved from Terendak, near Malacca, to Singapore provoked adverse comment in both Malaysia and Singapore, including Malaysian claims not to have been consulted or informed in advance.⁵⁶ Two related issues led to friction in this period: Malaysia was seeking a specific treaty guarantee after 1971, whereas Australia made clear its preference for general undertakings which would permit greater flexibility. More immediately, Australia refused to take a stand on the Philippines' claim to Sabah; the government was reluctant to become involved in a quarrel between two friendly states, welcomed the Philippines' undertaking not to use force, and refused to make any commitment in advance if force should nonetheless be used.

Prime Minister Gorton's long-awaited parliamentary statement of 25 February 1969 presented Australia's decision as a contribution to regional stability; while the region's problems were manifold, military security was a prerequisite for political stability. Rejecting withdrawal, he argued that any pledge to return if needed would be unconvincing, and far more difficult militarily than reinforcing units already based in the region. The forces to be retained indefinitely were the two squadrons of Mirages (42 aircraft, all at Butterworth except for a section of eight at Tengah); one naval ship in addition to a New Zealand ship; and a battalion in Singapore (with some training periods in Malaysia) in conjunction with a New Zealand battalion.

The statement emphasized the conditions which would govern the presence and use of the forces. They would remain only so long as 'actively desired' by Malaysia and Singapore. They would not be used for the maintenance of civil law and order. Their presence was not directed against any other country in the region. They would assist in building up indigenous defence capabilities and provide additional security during this build-up. They would be available

subject to the usual requirement for the Australian Government's prior

consent for use against externally promoted and inspired Communist infiltration and subversion of the kind which became familiar during the Emergency and which is judged by our military advisers to be the most likely form of aggression in the area.

If aggression or subversion were on a scale beyond the capabilities of the Australian and the local forces, it would be necessary to look to the support of others outside the region. The statement also referred to the need to ease tensions: with respect to Sabah, it recognized Malaysia as Britain's legitimate successor but limited Australian involvement to the search for a peaceful diplomatic settlement.⁵⁷

Opposition leader Mr Gough Whitlam characterized the decision as an exercise in imperial nostalgia, an expression of a garrison mentality instead of an adjustment to the realities of the new Asia.⁵⁸ The correct policy was to withdraw Australian ground forces, to leave the Mirages for a transitional period, but to redirect Australia's military role in the region to assisting the build-up of indigenous forces through technical assistance, the supply of arms and training. Australia's one battalion would be irrelevant if subversion were on a scale too great for Malaysia's sixteen battalions to handle. And Mr Whitlam ridiculed the obscure legal basis of the commitment:

Is there any other government in the world which would commit its forces overseas, for an indefinite future period, on the basis of a 12-year-old agreement which it itself had never signed, which the country to which the forces are to go has never signed, an agreement between a country which no longer exists and another which has abandoned it?⁵⁹

The opposition was on strong ground in questioning the military rationale of the commitment, especially in the light of the battalion's move to Singapore. But the broader political pressures were so strongly in favour of an Australian military commitment that the decision amounted to the least that Australia could do to avert major international embarrassment. Both the Malaysian and Singapore governments were urging Australia to retain at least its existing forces as a focal point for new five-power arrangements.⁶⁰ and the measures announced by the other governments at Kuala Lumpur in June 1968 enabled them to call for reciprocal steps by Australia; any substantial withdrawal after this would have left Australia open to the charge of sabotaging the agreements. The United States, though unwilling to underwrite any agreement, clearly wanted Australia to participate in the kind of regional arrangement which it was seeking to promote in Asia, and would have been antagonized by an Australian withdrawal.⁶¹ Both parties in New Zealand favoured an ANZAC commitment.⁶² Indonesia raised no objection and may even have viewed the commitment as a contribution to regional stability. The Singapore government voiced some of the longer-term considerations favouring Australian involvement. An Australian withdrawal would be final: Australians would not be welcome back if they had dissociated themselves from the area when their presence was strongly desired, and in the vacuum caused by the collapse of the five-power proposals the local states might seek external protection from some other source, not necessarily friendly to Australia.⁶³

Internally, the political pressures were in the same direction. The threat of a