AUSTRALIA–NEW ZEALAND AGREEMENT.

MEMORANDUM BY THE SECRETARY OF STATE FOR DOMINION AFFAIRS.

It will, I think, be of interest to my colleagues to see the following report by the United Kingdom High Commissioner in Australia on the recent Australia–New Zealand Agreement.

Canberra, 18th February, 1944.

My Lord,

I have the honour to submit the following report on the recently concluded agreement between Australia and New Zealand on Pacific affairs.

2. Upon receipt of your telegram No. 1454 of the 4th December, informal enquiries were made of the External Affairs Department as to whether any information could be made available regarding the purpose and scope of the forthcoming discussion between Australian and New Zealand Ministers. Officials, however, were found most reticent and my own approach to the Prime Minister was equally barren of result. It became clear that definite instructions must have been issued by the Minister for External Affairs that no information regarding the discussions or later as to the terms of the agreement between the two Governments was to be given. In the result the only information which was obtained was that communicated to the press.

3. In my telegram No. 1384 of the 23rd December, 1942, I reported that there were indications that the Department of External Affairs might be entertaining ambitious ideas as to Australia’s future in the South-West Pacific and South-East Asia. At this date there was some reason to suppose that these included the participation of the Commonwealth in the administration of the Netherlands East Indies after the war. These proposals reached the ears of the Dutch Minister whose reaction appears to have been such that the idea was dropped and subsequent references to Australia’s place in the post-war Pacific world have been restricted to areas closer to Australia. An examination of the various statements made by Dr. Evatt during the past year will show how his ideas have developed.

4. In a broadcast address on the 1st February, 1943, Dr. Evatt said “Close to Australia, there is a very special zone suitable for the performance of our obligations towards the United Nations in the post-war world,” and went on to say that he saw nothing in Article VII of the Mutual Aid Agreement which threatened Australian industries. “On the contrary, I see in it cogent evidence of a more liberal world economic policy in which Australia must, through rapid industrial expansion, help to achieve the great objective of freedom from want, not only in our own country and its territories, but especially in those areas which are associated with our defence in time of war and with our industrial progress in time of peace.” At a press conference in Washington in April 1943, Dr. Evatt
moved a stage further and made it clear that Australia expected to be given control of some Pacific islands after the war. "Australia, as the leading nation of the South Pacific zone, would have special concern in the economic as well as the strategic arrangements of the Pacific after the war. " In short, we must base the future Pacific policy on a doctrine of trusteeship." In July last the Cabinet appointed a Committee to plan for the Post-War Reconstruction and Rehabilitation of the Territories of Papua, New Guinea and Nauru. This Committee was also asked to report on "any steps to be taken to correlate the administration of Commonwealth External Territories to other areas of a similar nature in the Pacific." In August 1943, I forwarded an article contributed by Dr. Evatt to the Melbourne Herald, in which he claimed that Australia must extend its responsibilities "further towards the north and north-west, and the north-east and east." In this article he said that it was obvious that there would have to be zones of security and that "of crucial importance to Australia will be such islands as Timor, New Guinea, the Solomons, the New Hebrides, Fiji and New Caledonia."

He added: "Of course, we have no desire for aggrandisement or prejudicing the sovereignty of the Netherlands, France or Portugal," and he visualised "the formation of a great South-West Pacific zone of security against aggression. . . . Whatever Australia does will be done in the closest co-operation with Britain because we are trustees of British civilisation in this part of the world." Finally, in his statement to Parliament at the close of the last session, Dr. Evatt claimed that Australia had special interests both from the commercial and strategic point of view in the island territories and that those territories, with Papua and New Guinea, should form one of the zones within the international system which must be established. He foresawed "a frank exchange of views between accredited representatives in the South-Western Pacific," including among those the Government of New Zealand.

5. The matter was also referred to by the Prime Minister in his address to the Labour Party Conference, in which he mentioned the primary interest of Australia and New Zealand in Pacific problems and suggested the co-operation of Britain, Australia, Canada and New Zealand in a regional organisation in the South-Western Pacific as "an essential component of world organisation."

6. Superficially viewed the agreement consists to a large extent of an exposure of hopes and desires, fears and suspicions, compounded with some self-advertisement, and borrowed notions. It is a bid to achieve, by proclamation, political ends that the Commonwealth Government feel they would have had far less chance of attaining by diplomatic negotiation and it is a bid by the ambitious Dr. Evatt to achieve something of historical significance and value with which his name would be particularly identified. One may, indeed, reasonably question whether Dr. Evatt's ambition has not somewhat overwhelmed his sense of proportion. But, even though there be an element of truth in this suggestion, it is also, I believe, true that Dr. Evatt, conscious that the two countries are, in terms of nationhood, boys, decided to reap the advantages of being boys; a pastime that ex hypothesi would prove impossible if the maternal partner were consulted. The agreement, however, whilst of course conceived as being primarily in the boys' interest, is also conceived to be in the interest of the family as a whole and of the maternal partner in particular.

7. As a whole, the agreement suffers from the defect that it involves a bid to establish a regional defence zone in advance of the formation of a world security system, and that the multiplication of such regional zones in different parts of the world might well render impossible, both politically and practically, the formation of a world security system. Moreover, the agreement is a bid to establish a bloc of United Nations within the United Nations as a whole; a course liable to arouse animosities between the United Nations.

8. However, it is in itself an important and valuable thing, at least in appearance, that these two essentially British countries, close neighbours, faced with similar external problems, should have got together and agreed to think and act together in all that concerns their future security and welfare. This piece of realism has been brought about by the perception of their own military weakness, and even more importantly by the predatory attitude of the United States towards territories of the Southern Pacific. Belatedly recognising that it is beyond the power of the United Kingdom to fight major wars on both sides of the world, the two Dominions have sought to make common cause with other countries with interests in the Southern Pacific islands in maintaining their own defence in preference to relying primarily upon the
United States. Unification of policy on the external affairs of the two Dominions is the necessary first step, and the co-ordination of defensive measures is a corollary. It remains, however, to be seen how far the New Zealanders will be prepared to rely upon Australia as their sole external source of advice, and to exclude the counsel of the United Kingdom, on matters of common Australian-New Zealand concern.

9. Whilst the objections to the formation at the present time of a regional defence zone and a separate bloc within the United Nations may rule out the more striking features of the agreement, it may nevertheless serve a useful purpose to make some comment upon them. The most important project in the agreement is the “Security and Defence Zone.” In effect, the two Dominions have drawn a line on the map; a line—somewhat ambiguous in parts—round a large region in which they themselves live, and have proclaimed that they propose that they and the other Governments possessing territories within that area should retain entire possession of their own territories, and that they should manage all their own affairs within that region, including the responsibilities of local defence. They let it emerge clearly that they would object to any outside interference with these indubitable rights, and it is obvious from the drawing of the line and in other ways that it is United States interference with their possessions that they apprehend. In taking this local stand Australia and New Zealand clearly feel that they can count upon the agreement in principle of the foreign Governments concerned in the region in question: namely, the Netherlands and Portuguese Governments and the French Committee of National Liberation, all of whom may be safely assumed to have a similar desire to retain their full sovereignty and to have also some apprehension lest demands be made encroaching upon that sovereignty. Indeed the agreement goes further, for it carries to these nations a reassurance from Australia herself in regard to her intentions toward Timor, New Guinea and New Caledonia. In this connection (see paragraph 2) it is worth noting that Dr. Evatt is known at one time to have used indiscreet language concerning a Dutch-Australian “condominium” in at least part of the Netherlands East Indies and that this fact is known to the Dutch authorities. The remaining Government concerned in the zone is that of the United Kingdom. Here it is evident that the view taken was that whilst the United Kingdom might well have felt unable to be party to the agreement itself, she would nevertheless be not displeased with the démarche and would feel it to be in general desirable to support the scheme.

10. In sum, the Security and Defence Zone declaration amounts to a proposal to establish a Monroe Doctrine covering a large proportion of the territories of the Pacific situated south of the Equator. No doubt Dr. Evatt would have preferred that the agreement should have covered all, or almost all, the Pacific islands south of the Equator but was limited in the drawing of his eastern boundary by the fact that the Eastern Samoan islands are a United States possession. A number of United Kingdom dependencies is consequently omitted from the zone; a fact which tends to spoil the presentation of the picture. It would be argued by the two Dominions that the boundaries they have sketched comprised the islands essential for local defence, plus their own dependencies, and other islands that inevitably fell within the defence boundary, and that they had neither reason nor excuse for proposing a policy that went further afield.

11. A second very important feature of the agreement is the “South Seas Regional Commission” for the promotion of the welfare of native peoples. It also emerges clearly from the agreement that the two Dominions are apprehensive lest China should succeed in bringing such pressure to bear upon them that they would be unable to maintain their white immigration policies. The territories to which the South Seas Regional Commission might relate are different from those embraced by the Security and Defence Zone. In particular, the Regional Commission includes the United States and omits the Netherlands East Indies. Basing themselves apparently upon ethnological types that inhabit British territories, namely Melanesians and Polynesians, the two Dominions invite the co-operation of other Governments responsible for natives of the same stock. Thus they include the United States by virtue of East Samoa and other dependencies, and exclude the Netherlands East Indies, which, though they have a certain Melanesian population, are mainly inhabited by people of Indonesian stock among whom are important Chinese elements.

12. Whilst the Defence and Security Zone is intended to prevent United States infiltration within its bounds, it is hoped that the “South Seas Regional
Committee” (in which United States participation is suggested) will constitute an instrument which will aid in imposing a bar to infiltration by Chinese migrants into the South-West and South Pacific.

13. There is thus a bid to set up two political blocs, one primarily in self-defence against the United States, whilst the other might constitute a safeguard against Chinese immigration. At the same time it is hoped that the countries constituting the Security and Defence Zone would attain such political cohesion as to establish a fresh political entity in the Pacific which, since it would include the United Kingdom, Holland, France, Australia and New Zealand, would be a power to be reckoned with. No doubt such projects cannot be considered at the present time. It is, however, known that Dr. Evatt’s ideas do not stop at co-operation within the region he has delineated. He also desires that the Commonwealth Government should take over the administration of the British Solomons, and he no doubt turns a predatory eye towards other islands not in British possession.

14. It was prophesied at the time that the agreement was published that, so far as the press was concerned, it would be little more than a week-end wonder, and this has in fact proved to be the case. There has been surprisingly little attention paid to the agreement in editorial comment, which has, however, on the whole, been favourable so far as the agreement will conduce to smoothing out the differences between the two countries and providing the machinery for future closer co-operation, but extremely cautious as regards those clauses of the agreement which relate to other than purely domestic matters. Some of the more responsible organs have singled out for special notice the "hands off" caution to the United States, but the press as a whole appears to realise that in these matters the agreement is treading on dangerous ground. There has been very little prominence given to United States press reaction, but I am unable to say, without knowing what has been said by the United States Press, whether it is to some extent due to censorship. Apart from an occasional reference, however, the agreement in a few days ceased to be front-page news and the debate which is taking place at the moment in Parliament has done little to revive interest in the agreement.

I have, &c.

W. C. HANKINSON.