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STUDENT RESEARCH PAPER

8 April 1966

## AUSTRALIA: US REDOUBT IN SOUTHEAST ASIA

By

WILLIAM W. GIST, III

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Lieutenant Colonel, Armor U. S. ARMY WAR COLLEGE



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# USAWC RESEARCH ELEMENT (Research Paper)

Australia: US Redoubt in Southeast Asia

by

Lt Col William W. Gist III
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US Army War College Carlisle Barracks, Pennsylvania 8 April 1966

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#### SUMMARY

Australia is a vast empty continent which early Magellans left undiscovered until the late 1700's. The population of the United States in 1776 was equal to the population of Australia today.

The first fact that must be borne in mind when examining Australia is that she didn't join the membership of nations of the world until 1901. Up until that time Australia's destiny was in the hands of Great Britain. This relationship continued to affect her outlook on Asia until after World War II.

From the time of this event to the present day, Australia has followed a plan to populate her empty spaces and develop her economy in an attempt to emerge as a leader among Asian nations. Only Japan currently exceeds her industrial capacity in Asia.

Australia's location in the South Pacific and her dependence upon her sea-lanes to expand her economic base has made her highly susceptible to outside pressures. Events in Malaysia, South Vietnam and Indonesia have forced her to ally herself with the United States to insure her position in the Pacific.

Australia's allegiance to the United States is not fully comprehended by the nations in the Afro-Asian bloc who have only recently shed their colonial rulers. This condition combined with an immigration policy which restricts the colored races from Australia has tended to undermine Australia's desires for Asian recognition.

A major effort to correct this condition has been undertaken by Australia through the allocation of more foreign aid under the auspices of the Colombo Plan which she was instrumental in founding.

Australia's recently announced increases in her armed services were made with the full realization that she must share more fully in her own defense if she expects her allies to come to her help in time of need.

Australia is the most steadfast ally the United States has in the Pacific Region. She was the first to commit troops to the United Nations effort in Korea and now stands alongside the United States in South Vietnam.

The strategic importance of Australia can be fully appreciated when one contemplates what the future holds in store when the United States and British forces have withdrawn from Hong Kong, Singapore, the Philippines, Formosa, South Vietnam, Okinawa, South Korea, and Japan.

The vast unpopulated areas of Australia offer infinite possibilities for the establishment of a United States bastion in the South Pacific.

#### CHAPTER 1

#### INTRODUCTION

A look at a map of the world will show that there are basically three large longitudinal land masses extending into the Northern and Southern Hemispheres. North and South America, Europe and Africa, Asia and, connected by a string of closely knit islands terminating with the largest of them all, the Continent of Australia. Though not ethnically associated with Asia, Australia lies anchored to the Asian orbit.

This research paper concerns itself with contemporary Australia. It is an attempt to determine the present and future strategic importance of Australia to the United States through an analysis of the geopolitical, economic, and military factors affecting her position in the South Pacific. In accomplishing this, emphasis will be placed on the external pressures exerted on Australia by her neighbors to the North.

No attempt is made to touch on all of the events which have transpired in Asia, Southeast Asia, and Africa since World War II. The reader must keep in mind that during this period of time the only thing remaining largely unchanged was the geography. Many of the names of the countries surrounding Australia disappeared along with Western colonialism. Replacing this order was disorder, frequently in the guide of nationalism or communism.

It is in this light that Australia, a Western oriented caucasian nation, is examined.

#### CHAPTER 2

#### THE STRATEGIC SETTING

Australia's remote geographic location in the Pacific is typified by her late discovery. Early sailors traversing the Pacific Ocean either passed to the north or found the island continent so foreboding they didn't attempt to land. Captain James Cook is generally considered the discoverer of Australia. In 1770, while on another mission of state, he sailed into Botany Bay and planted the British flag in the name of King George III. 1

The United States had gained her independence before the first colonists arrived in Australia in 1788. It is significant in the development of Australia that the country has existed less than 200 years and has only completely been opened up in the Twentieth Century.

## THE GEOGRAPHY

The Commonwealth of Australia is the only continent occupied by a single nation. It is located in the southern hemisphere southeast of Asia, between the Pacific and the Indian Oceans. The continent occupies 2,967,741 square miles<sup>3</sup> of the Pacific and is enclosed by a coastline of 12,210 miles.<sup>4</sup> It compares in size to the United States less Alaska and encompasses almost two times the combined area of India and Pakistan.<sup>5</sup>

Colin MacIness, Australia and New Zealand, p. 24.

<sup>3</sup> Australian News and Information Bureau, Official Handbook, 1965, p. 19.

bid.

Australia measures about 2500 miles on her wide axis and 2000 miles from north to south. The combination of size and location precludes easy passage from the Pacific to the Indian Oceans.

Indicative of the remoteness of the island continent from her traditional allies is the fact it is approximately 12,210 miles $^6$  sea distance via the Suez from Sydney to London and approximately  $7000^7$  miles on a diagonal to San Francisco. The average cargo ship takes  $42^8$  days to make the trip from Brisbane, Australia to San Francisco.

Airline distances have an equal strategic significance to Australia. From Brisbane on the east coast to North West Cape on the west coast is approximately 2700 miles and from North West Cape to Djakarta, Indonesia is 1300 miles. From Biak on Indonesian New Guinea to Brisbane is approximately 2300 miles. From Darwin in north Arnhem Land it is approximately 4500 miles to Peking, China, 2500 miles to Saigon, and 2500 miles to Kuala Lumpur, Malaysia.

## FEATURES AND CLIMATE

The terrain on the Australian continent is the flattest in the world. The average elevation is 1000 feet compared with the world mean of 2300 feet. The from the Eastern Highlands of Australia, extending from Cape York in Queensland to Tasmania off the southern coast, the country

<sup>6&</sup>lt;u>Ibid</u>.

7<u>Joseph Roucek</u>, "The Pacific in Geopolitics," <u>Contemporary Review</u>,

Vol. 206, Feb. 1965, p. 64.

8<u>Ibid</u>.

Distances Computed.

<sup>10</sup> Official Handbook, op. cit., pp. 19-27.

extends through the Central-Eastern Lowlands to Western Australia.

The highest elevations are found in the southeast and are known as the Australian Alps. Peaks exceed 6000 feet in this area with Mount Kosciusko the highest at 7316 feet.

A combination of topography and geographical location combine to provide Australia with both tropical and temperate climatic conditions. Temperatures vary from 70 degrees to 90 degrees over inland areas and somewhat less along the coast. The seasons are reversed in Australia with December to February being the summer months and June to August the winter months.

Northern Australian coastal areas are tropical and the southern areas have a temperate climate comparable to Southern California.

The rainfall frequently totals 160 inches on the north coast of Queensland. Some of the coastal areas on the eastern seaboard receive from 50 to 60 inches a year. The interior area, from the western portion of New South Wales and southwest Queensland to the western seaboard has rainfall below 10 inches a year. The rainfall averages 10 to 50 inches a year in the regions between. The driest part of Australia is around Lake Eyre in South Australia averaging four to six inches yearly.

Due to the arid conditions existing in the interior of the country both the population and industry are concentrated along a narrow "fertile crescent" extending from the north down along the east coast to the southeastern part of the country.

<sup>11</sup>Colin MacIness, op. cit., p. 10.

## NATURAL RESOURCES

Australia's meager water resources have had a definite effect upon the development of the country. The total water run-off is estimated to be 16.5 inches a year against a world average of 26<sup>12</sup> inches. This lack of run-off is further aggravated by an evaporation rate which exceeds the rainfall over ninety<sup>13</sup> percent of the country.

Though there are many rivers in the country only a few have been found suitable for development for irrigation and power, and none are navigable. The major water development project underway is the Snowy Mountain Scheme. This project involves the major rivers located in southeast Australia with headwaters in the Australian Alps. The water of the Snowy River is being diverted to the Murray and the Murrumbidgee Rivers to provide both irrigation and power. To accomplish this nine major dams and many smaller ones are being constructed along with 100 miles of tunnels, 80 miles of aqueducts, and 10 hydroelectric power stations. 14

When completed in 1975 the project will provide 1000 square miles of additional irrigated land and 3,500,000 kilowatts of power. The power output will equal  $40^{15}$  percent of Australia's present generating capacity.

Australia is also blessed with the largest artesian basin in the

<sup>15</sup>Ibid., p. 215.

<sup>12</sup>J. B. Condliffe, The Development of Australia, p. 281.

<sup>14</sup>Official Handbook, op. cit., p. 212.

world. 16 Even though much of this water is highly mineralized, and therefore unsuitable for irrigation, it is an important source of water for stock. Oil exploration has uncovered additional sources of this natural flowing water.

Australia has abundant supplies of both brown and black coal.

The brown coal is used to generate the bulk of Australia's power needs.

Large reserves of black coal are a significant factor in relatively low cost of Australian iron and steel products. 17

Australia has more than adequate supplies of most minerals. She is the world's largest producer of lead and is the third largest producer of zinc. <sup>18</sup> Australia ranks fourth in the production of gold.

Current iron ore production is 5,500,000 tons <sup>19</sup> with large quantities currently being exported. There are adequate quantities of bauxite, uranium, copper, tungsten, and tin.

The major deficiency in Australia's resources is in her lack of commercial quantities of oil. Oil was discovered in 1961 but by 1964 total commercial production equalled only 187,000 tons against consumption of 13,456,000 tons. Refinery capacity at the end of 1964 was 17,000,000 tons to be increased to 21,000,000 tons by the end of 1966. 20

Significant quantities of natural gas have also been discovered with exploration continuing.

<sup>16&</sup>lt;sub>Ibid.</sub>, p. 23.

<sup>17</sup> Condliffe, op. cit., p. 104.

<sup>18</sup> Official Handbook, op. cit., p. 176. 19 Ibid., p. 178.

<sup>&</sup>lt;sup>20</sup>Australia News and Information Bureau, <u>Australia in Facts and Figures</u>, No. 85, p. 30.

With the exception of petroleum and water, Australia has adequate resources to sustain her industrial base and provide for economic growth.

## THE ECONOMY

The industrial base of the Australian economy has had a fantastic growth since World War II. Today, 59,000 factories account for more than one-third of the gross national product and turn out goods with a net value of \$5.3 million. The discovery and exploitation of her natural resources has led to the development of heavy industries in the fields of mining, engineering, shipbuilding, chemicals, automobiles and oil refining.

The annual value of the mining industry alone amounts to \$630 million. Experts believe this could double in the next ten years.  $^{22}$ 

While the industrialization of Australia has been dramatic, the primary sector of the economy remains agriculture. The gross value of rural production is \$3 billion.  $^{23}$ 

On approximately one billion acres of land representing 60 percent of the total land area, Australia raises 164,000,000 sheep, 19,000,000 cattle, and cultivates 16,000,000 acres of wheat. Australia leads the world in the production of wool, ranks second as a beef exporter, and is a major supplier of cereals, dairy products, sugar and fruit.

<sup>21</sup> MacIness, op. cit., p. 95.

<sup>220</sup>fficial Handbook, op. cit., p. 176.

<sup>&</sup>lt;sup>23</sup>MacIness, op. cit., p. 95.

Agricultural products in the five years ending in 1964 have provided Australia with from 75 to 80 percent of her foreign exchange.  $^{24}$ 

The Australian internal transport system is currently inadequate to meet the needs for extensive economic development and defense purposes.

Australia has 25,000 miles of rail lines, 553,000 miles of various types of roadways, and on a population basis an internal airway system second to that of the United States.  $^{25}$ 

The three different guages of rail lines in the country are the result of independent construction by the states before nationhood. To correct this deficiency the government is standardizing and rebuilding a portion of the railway to provide a continuous standard guage link between Brisbane and Perth. No rail line currently exists between Darwin in Northern Territory and South Australia. This gap necessitates trans-shipment by truck of cargo destined for Darwin.

An examination of a map of Australia will indicate that the road net in the Northern Territory and West Australia is inadequate to provide for the security of Australia's most exposed flank. In recognition of this fact, plus the need to further develop the resources in these areas, the government plans to spend approximately 100 million dollars between 1964 and 1969 on road development. 26

Contrasted with a rather underdeveloped rail and highway system,

Australia has 90,000 miles of airways linking the cities with the most

<sup>&</sup>lt;sup>24</sup>Official Handbook, op. cit., pp. 159-163.

<sup>&</sup>lt;sup>25</sup>Ibid., p. 224.

<sup>&</sup>lt;sup>26</sup>Ibid., p. 232.

remote areas of the country.

There are two principal airlines operating within Australia.

Trans-Australia Airlines which is owned by the government and Ansett
ANA which is privately owned. In addition there are numerous small airlines which provide feeder service. Quantas is the government owned international airline serving 27 countries and five continents.

Aircraft operated by Quantas, which could be considered a part of the strategic lift in time of emergency, consist of 13 Boeing 707's and four Lockheed Electras. Six more Boeing 707's will be delivered in 1966. There were a total of 1,936 civil aircraft of all types in Australia on 30 June 1964. 27

Dependence on sea lanes for commerce has not made Australia a maritime nation. This is primarily due to her early dependence on Great Britain and her merchant fleet. In 1963 the British flag still represented 45 percent of the tonnage handled in Australian ports against 0.7 percent handled by Australian bottoms. 28

The Australians do have exclusive control of coastal shipping and have recently introduced "roll-on-roll-off" ships to their operations. In 1964 coastal shipping carried 7 million tons of cargo.

Coastal shipping represents an annual transport task equal to the combined efforts of all other forms of transport on a ton-mile basis.  $^{29}$ 

Until sufficient standard rail lines and an adequate highway system are developed, coastal shipping represents a vital means for sustaining the economy and assisting in the national security effort.

<sup>2/</sup> Ibid., p. 235.

<sup>&</sup>lt;sup>28</sup>Ibid., p. 225.

In general it can be stated Australia's economic prospects for the future are bright. The major deficiency to be noted is the reluctance of Australian management to risk their capital on new ventures. This condition exists due to a lack of sufficient management experience and research. This reluctance has led foreign capital to undertake these risks and by combining a small initial outlay with local borrowing, achieve considerable profit. Some analysts credit foreign capital with controlling 50 percent of Australia's known mineral resources, 60 percent of its chemical industry, and about 30 percent of all its manufacturing industries.

## THE PEOPLE

"The greatest wealth of Australia, however, lies in its people. It does not suffer, as so many developing countries, do from massive population pressures upon inadequate resources." 32

Australia has one of the most urbanized societies in the world.

One half of the population of 11.5 million people live within a radius of 100 miles of the two major cities of Sydney and Melbourne. Twenty five percent of the remaining population live in or very near the state capitals of Adelaide, Brisbane, Perth, and Hobart.

Since 1945 the population has increased by 3,700,000, an increase of 50 percent, due to higher birth rate in the post war years and extensive

<sup>30</sup>Condliffe, op. cit., p. 14.
31Charles Murphy, "A Traveler on the Rim of Asia," Fortune, Vol. 71,
Jun. 1965, p. 271.
32Condliffe, op. cit., p. 10.

<sup>33</sup>Russell War, Australia, p. 8.

recruiting for immigres. 34

Following World War II Australia adopted a plan to double the rate of population growth in an attempt to raise the total population to 20 million. To accomplish this, an "assisted passage" policy was instituted. This policy provides assistance to persons desiring to come to Australia to take up residence. Some selectivity is used in order to obtain skills required to develop Australia's economic base. In addition, Australia has opened her doors to certain groups of refugees. Following the Hungarian revolt in 1956 Australia took in 10,000 refugees from Hungary. Permanent and long term arrivals from 1945 to 1964 totaled 2,217,139.

Ninety-five percent of the Australian population is of British ancestry. Australians don't like to be reminded of this fact since they are trying desperately to overcome any stigma of British colonialism in identifying themselves in Asia.

The identification problem is further compounded by the "White Australian Policy." From its early history Australia was aware of the colored millions to the north. To keep out cheap labor and preclude the lowering of living standards Australia adopted an unwritten restrictive immigration policy against the colored races. In 1958 this iron-clad policy was changed to allow the Minister for Immigration

<sup>340</sup>fficial Handbook, op. cit., p. 47.

<sup>35 &</sup>lt;u>Ibid.</u>, p. 49. 36 <u>Ibid.</u>, p. 50.

<sup>37</sup>Facts and Figures, op. cit., p. 18.

<sup>38</sup>MacIness, op. cit., p. 59.

to arbitrarily admit any individual he desired without justifying his decision. This did not open the doors to immigration since the non-European population is still less than one percent. 39 The advantages of the 'White Australian Policy" are obvious. The disadvantages are not so obvious. Having no racial mix in their population the Australians live in a vacuum, frequently unappreciative of events transpiring around them.

Australians are evidencing more interest in the outside world of late, aware that a country with 3.6 persons per square mile compared with India's 349 cannot continue to adhere to a restrictive immigration policy. 40 As long as the empty spaces exist in the north and west they represent rich potential resources to the teeming masses of Asia. Some demographers believe Australia is capable of sustaining a population of from 30 to 50 million. 41

## THE GOVERNMENT

The Australian states were Federated by popular referendum on 1 January 1901. 42 The Australian government administers directly the underdeveloped areas of the Northern Territory, Papua-New Guinea, and the Capital Territory in which Canberra, the nation's capital, is located. The self-governing states of New South Wales, Queensland, South

<sup>39</sup> MacIness, op. cit., p. 60. 40Allan Villers, "Australia," National Geographic, Vol. 124, Sep.

<sup>1963,</sup> p. 376.
41Frederick Nassal, "White or Brown," <u>Far Eastern Economic Review</u>, Vol. 49, Sep. 1965, p. 559.

42Gordon Greenwood, <u>Australia</u>, pp. 181-193.

Australia, Tasmania, Victoria, and Western Australia are administered through the federal government in a similar manner to the United States.

Australia's constitution and governmental organization is patterned after England and the United States.

The Commonwealth of Australia's association with the United Kingdom is carried out through the appointment of the governors of the states and the governer general to the federal government, by the Queen of England. These offices are ceremonial in nature since the appointed governors must be approved by elected officials. 43

Australia's democratic institutions prevail in the election of federal and state officials to the extent there is a penalty of \$4.50 for failure to vote in these elections.

There are three main political parties in Australia. The Liberal Party, representing the urban population, the Australian Labor Party, representing the trade unions and the working class, and the Country Party, made up of a strong minority opposition consisting of the farm group and country dwellers. 45

A coalition of the Liberal Party and the Country Party has maintained absolute control of the government under the egis of Prime

Minister Sir Robert Menzies from 1949 to the present date.

The Liberal Party's ability to control both the federal and state parliaments is due partially to a split in the Australian Labor Party brought about by the Communists. The Communist Party and the Democratic

<sup>43</sup>Ward, op. cit., pp. 9-10. 44MacIness, op. cit., p. 92

<sup>15</sup> Ibid.

Labor Party are both minority parties representing segments of the trade unions. The political situation is somewhat confused by the fact the ALP is dominated by Roman Catholics who have a natural antipathy for the Communist element they are supposed to represent. This dichotomy has frustrated the efforts of the trade unions attempt to gain control of the ALP. The results of this political in-fighting split the ALP party from which emerged the Democratic Labor Party. While the DLP is not strong enough at election time to defeat the ALP candidates, they effectively block the ALP by casting their vote for the Liberal coalition. Thus it can be seen that in any election the Communist Party and the Democratic Labor Party minorities influence the outcome.

The Australian Communists reached the peak of their influence in the trade unions in the late 1940's. It is estimated that between 1940 and 1956 approximately 30,000 people had passed through the party. 46

Even this limited membership caused the Menzies government to outlaw the Communist Party in 1950. Subsequently the Australian High Court ruled the ban on the Communist Party was unconstitutional. To circumvent this decision the Menzies government put the issue to the people in the form of a popular referendum and were narrowly defeated in this attempt to outlaw the Party. The initial effect of these two efforts rallied the Communist membership to the cause. However, by 1958 it was estimated their membership at best didn't exceed 5,500 members. 47 The

<sup>46</sup> Alan Barcaw, "The Socialist Left in Australia," Australian Political Studies Association, 1960, p. 16.

membership is somewhat less today and represents no threat to constitutional government.

As Australia has grown and the problems of industry and labor have become more complex, there has been a tendency to centralize control of politics and power at the national level. This has undoubtedly been aided by the growing welfare grants provided the states by the federal government. A total of \$800 million yearly is provided for social security, maternity and child care, sickness and unemployment benefits, and for the Health Service.

There is no question that Australia today represents the epitome of Western civilization projected into a hostile Asiatic environment. The real test in the immediate future will be the ability of the Australian government to populate the empty spaces, expand the economic base, and provide for the security of the country against the growing threat to the north.

### CHAPTER 3

#### THE THREAT

The major threat posed to Australia as it was a quarter of a century ago when the Japanese swept down through Indo China, Malaya and the Dutch East Indies, ending up on the island of New Guinea, stems largely from the North. An equally militant substitute for the Japanese War Lords are the Chinese Communists. With the hegemony they currently exercise over North Korea and North Vietnam, China's Communists now effectively control 47 percent of Asia's population, 54 percent of its land area, and 35 percent of the rice. Another eighty million people with a rice surplus of 3.5 million tons annually live close by in Laos, Cambodia, South Vietnam, Thailand, Malaya, and Burma. Were China to dominate these areas she might turn her attentions to South Asia and the South Pacific.

The current split between the Chinese Communists and the Soviets for control of the Communist movement in Southeast Asia could in itself embroil Australia in war. While Russia has made attempts over the past twenty years to control this movement, Communist China remains the power to be dealt with in South and Southeast Asia.

An optimistic view is held in some quarters that the direct threat posed to Australia by China may be 20 years off. No such view can be

<sup>&</sup>lt;sup>1</sup>Joseph Roucek, "The Pacific in Geopolitics," Contemporary Review,

Vol. 206, Feb. 1965, p. 71.

<sup>2</sup>Frederick Nassal, "White or Brown," <u>Far Eastern Economic Review</u>, Vol. 49, Sep. 1965, p. 559.

held of what is apparently the direct threat posed by Indonesia. For the first time in 50 years Australia shares a border in New Guinea with a country which has alternately pledged allegiance to Russia and China.

In time, the greatest threat from the North may not be aligned with political ideology. The one billion people, frequently starved, and in China's case multiplying at a yearly rate equal to the current population of Australia, "may turn their hunger for food to hunger for land." A. A. Calwell, head of the Australian Labor Party commenting on the restriction currently imposed on the immigration of non-white and the possibilities of a race war developing because of present immigration policies, has stated, "Australia as the weakest and most isolated of the European-oriented powers, would undoubtedly be the first to go." 5

## THE CHINESE THREAT

After the Communist takeover in China in 1949 the question of recognition of the new government was heavily debated in the Australian Parliament. In 1950 the Australian representative addressing the UN General Assembly, indicated Australia might recognize Communist China if she followed an independent policy and adhered to the principles of the UN Charter. The events which followed clearly indicated the

<sup>3</sup>S. Encel, 'Defense and the Outside World," <u>Australian Outlook</u>, Vol. 17, Aug. 1963, pp. 144-145.

<sup>4&</sup>quot;Now Australia Finds She's in the Line of Fire," <u>U.S. News and World Report</u>, Vol. 58, 11 Jan. 1965, p. 26.
5 [bid.

<sup>6</sup>Werner Levi, Australia's Outlook on Asia, pp. 149-154.

Chinese Communists had no intention of pursuing such a course and Australia to this date has not recognized the Peking government.

During 1950 Chinese Communist insurgency flourished in Malaya and Peking recognized Ho Chi Min's regime in Vietnam. North Korea invaded South Korea and in the fall of the year the Communist Chinese joined forces with the North Koreans in an attempt to drive the United Nations forces from Korea. Australia joined forces under UN auspices and by late 1950 was engaged with ground, sea, and air forces in Korea. The Australians had suffered 281 killed and 1250 wounded when the armistice was signed in July of 1953.

The Korean War had far reaching effects upon the Australians. When the Chinese Communists entered the war in November of 1950 the Australians no longer doubted what her designs were in Korea and Asia as a whole.

The security concept Australia has held to since World War II was that their best defense lay in keeping any potential aggressor as far to the north as possible. This concept recognized that only defense in depth could provide security against a direct ground threat to Australia's northern shores. Australia's commitments in 1950 to the Commonwealth effort in Malaya to put down the Chinese Communist inspired insurgency was evidence of their belief in the forward defense formula as well as time honored support of the British.

The Australians are well aware that, were the Chinese to control Southeast Asia and in particular Malaya and Singapore, they would cut

Winter, 1961, p. 453.

<sup>8</sup>Douglas Pike, Australia the Quiet Continent, p. 215.
9Henry S. Albinski, "Australia's Defense Enigma," Orbis, Vol. 4,

off the main sea and air routes connecting Europe and the Middle

East with Japan, Korea, Formosa, Okinawa, the Philippines and the many

lesser Pacific Islands. 10 The Chinese Communists would then be able

to either subvert or conquer Indonesia and Australia at will.

The real threat to Australia must realistically be judged to be China's possession of the A-bomb. On 14 May 1965 China detonated her second nuclear device estimated to have been about 20KT in strength. It is believed the fissionable material for the construction of the weapon was not supplied by the Soviets. This indicates the degree of sophistication the Chinese have achieved in the atomic energy field. The capability of producing U-235 would indicate an H-bomb capability in the future. 12

At the present time China has no known means of delivering a nuclear weapon. It has been reported China is constructing a Soviet-type G-class submarine capable of carrying three missiles with a range of 400 miles. 13

The Chinese would not appear to have the capability of delivering such weapons by air. They presently are estimated to have a few TU-4's (B-29 type bombers) with a radius range of 1500 miles carrying a 10,000 lb bomb and about 500 to 700 IL-28 light jet bombers having a combat radius of 600-700 miles. In addition, China acquired a few IL-18's, a light jet transport, before the Soviets cut off their aid. 14

<sup>&</sup>lt;sup>10</sup>Joseph Roucek, "The Pacific in Geopolitics," <u>Contemporary Review</u>, Vol. 206, Feb. 1965, p. 78.

Vol. 206, Feb. 1965, p. 78.

11The Institute for Strategic Studies, The Military Balance 1965-1966,
p. 9. (Referred to hereafter as "Studies, Military 1965-1966".)

12Ibid.

<sup>13</sup> Ibid.

<sup>14</sup>The Australian Institute of International Affairs, Nuclear Dispersal in Asia and the Indo-Pacific Region, Sept. 1964, p. 68.

Opinion is divided on how long it will take China to acquire a stockpile of A-bombs. Most experts feel it will be five to ten years before she has 20-30 A-bombs. US experts estimate that China should be able to mount a force of missiles within the next ten years capable of reaching Japan, Taiwan, Southeast Asia and Russia. 15

China's ground threat to Australia is dependent on invasion through Southeast Asia, by either amphibious assault or vertical envelopment or a combination of both. To do this, China is estimated to have 115 line divisions consisting of 12,000 men each, 4 armored divisions equipped with obsolescent tanks, 1 or 2 airborne divisions and necessary supporting weapons. The Chinese airlift capability is probably limited to a few battalions. The Chinese naval threat consists of 23 W-Class submarines and 7 other types given her by the Russians. 16

Chinese combat sea-lift capability consists of approximately 60 amphibious type landing ships augmented by an undetermined number of armed junks.

Since China lacks an adequate offensive air arm and has meager naval resources, her military threat is largely confined to countries contiguous to her borders. Until she acquires a delivery system for her nuclear weapons she poses no direct military threat to Australia.

Approximately 3 million Chinese are located in Indonesia with whom Australia shares a common border in New Guinea. On 30 September 1965 the Indonesian Communists attempted a coup against the Sukarno government.

<sup>15&</sup>lt;u>Ibid</u>. 16<u>Ibid</u>., p. 10.

Indonesia had the largest Communist Party located outside of the non-Communist world. Hard core Communists may have numbered 3 million with another 13 million under their control. <sup>17</sup> Since it is believed that the Communist Party is heavily financed by Peking, it is reasonable to assume the loyalties of the Chinese were exploited to the fullest. The failure of the coup attempt was a major set-back for Peking. In the Communist movement, ". . Peking had a party favorable to its guidance, ready to take power in the richest country in Southeast Asia. If and when that happened, the western position in that part of the world in South Vietnam, Thailand, Malaysia and the Philippines would be seriously jeopardized." <sup>18</sup>

## THE INDONESIAN THREAT

Because of the coup attempt it is difficult to evaluate the direct threat Indonesia presents to Australia today. A few things are clear. In the months since the coup attempt Sukarno has evidenced little of the bravado he formerly espoused. The army, which is anti-Communist, appears to hold the reins of the government, with Sukarno relegated to figurehead status. With the mystique sway Sukarno holds over the Indonesian masses the ruling generals are reluctant to remove him from the scene. The internal disorder which followed the coup continues in spite of Sukarno's plea to rally behind NAS-A-KOM, a shibboleth he

<sup>17</sup> Stanley Karnow, ed., Southeast Asia, p. 122.
18 "Communists Meet a Setback," U.S. News and World Report, Vol. 59,
18 Oct. 1965, pp. 46-48.
19 Ibid.

uses to unite the Nationalists, Moslems, and Communist elements in ruling the country. <sup>20</sup> The Moslem element, whose political influence had waned with the government, brought the full fury of their natural hatred of the Communists to bear by slaughtering thousands of them. <sup>21</sup>

A review of past and future Indonesian policies toward her neighbors in Southeast Asia must be examined in light of these events.

During the long drawn own process after World War II, before Indonesia gained her independence in 1949 from the Netherlands, Australia's view of this impending event could be classified as "middle of the road." Australia was torn between trying to identify herself with her Asian neighbors and facing the fact that Western colonialism was disappearing from the scene. The inability of the Dutch to stem the on-rushing Japanese tide from the north was still vivid in her memory. What Australia really desired to her north was a strong neighbor who would provide her security, and if that power happened to be Western oriented, so much the better. At the time, Indonesia was undergoing internal insurrection and did not appear to fulfill either requirement.

Australia's support of the Indonesian independence movement was brought about largely by the Dutch action in putting down this movement by police action. Australia was instrumental in bringing the issue to the United Nations even though it was eventually settled between the

two parties outside of the world body. The fruits of Australia's efforts on behalf of Indonesia's independence efforts are reflected in the remark, "It laid a good foundation for friendly relations with Australia's nearest neighbor and ingratiated Australia with other Asian states."22

The ingratiation was short-lived in the case of Australia. Dutch Indonesian agreements had purposely avoided settlement of Indonesia's claim to West New Guinea in order to solve the major issues of Indonesian independence.

Bouyed by their successes over the Dutch, the Indonesians periodically laid claim to West New Guinea. West New Guinea was then the last outpost of Dutch colonialism. The Dutch vehemently countered the claim by asserting the population was ethnically unrelated to the remainder of Indonesia.

Australia opposed Indonesia's right to West New Guinea from the start. As in the past Australia judged all efforts to change the status quo to her north as an impingement on her security. At the Bandung conference in 1955, Afro-Asian nations viewed the Dutch retention of West New Guinea as a symbol of Western colonialism. Australia found herself caught in the middle between East and West. The Communist successes in China and Indo China during the 1950's further stiffened Australia's desires for Dutch retention of West New Guinea. 23

<sup>22</sup>J. A. C. Mackie, "Australia and Indonesia," in Australia in World Affairs 1956-1960, ed. by Gordon Greenwood and Norman Harper, pp. 272-319. 23<sub>Levi</sub>, op. cit., p. 189.

During the period 1955 until the Dutch acceded to the Indonesian demands for West New Guines, Australia vacillated between supporting the Dutch and wooing the friendship of the Indonesians. Australia's primary concern was that Indonesia would attempt to press her claim by force. This concern was fostered by the large loans of money and military equipment Indonesia was receiving from Russia. With the backing of Russia and Peking, Indonesia adopted a more militant attitude and in 1960 and 1961 landed infiltrators on West New Guinea. 24

The Dutch confronted with a war they didn't want and unable to secure support from Australia or the United Nations, relinquished her rights to West New Guinea in August of 1962. Under terms of the agreement, Indonesia guaranteed the right of self-determination to the people of West New Guinea by 1969. Shortly afterward Sukarno made it clear he had no intention of abiding by the agreement. 25

Australia found herself with a new neighbor in New Guinea which the Indonesians renamed West Irian. The settlement of this dispute has not ended matters on the Island of New Guinea. The border between Dutch and Australian New Guinea had never been completely defined. Australian attempts over the years to arouse interest in delineating the border fell on deaf ears. Renewed efforts with the Indonesians have proven fruitless. In the meantime a number of penetrations have been made into what Australia considers her territory. 26

<sup>24</sup>Greenwood, op. cit., p. 311.
25John de Courcy, "A Review of World Affairs," Intelligence Digest,

No. 320, Jul. 1965, pp. 6-7.

26 Paul W. Van Der Veur, "New Guinea Boundary," Australian Outlook,
vol. 19, Apr. 1965, pp. 73-96.

There is also good evidence to indicate that the Indonesians have had to put down incipient revolt in West Irian during the past year. The seriousness of such revolts can best be judged were West Irians to seek sanctuary in Australian New Guinea, crossing an unmarked border, with Indonesians in "hot pursuit."

Sukarno's elimination of the Dutch colonialists from the Indies ultimately led to his campaign to "crush Malaysia." Malaysia represented to Sukarno the last vestige, outside of Hong Kong and Brunei, of British colonialism in the Far East.

Australian concern over Malaya manifested itself in 1948 when the government authorized strategic planning in the Southwest Pacific. 27

At this time the British were already engaged in putting down Communist guerrilla activity bent on taking over the Malayan Government. The British had previously committed themselves to give Malaya her independence. This could not be granted until internal security in Malaya had been achieved. At the Commonwealth Conference of 1948, the ANZAM agreement was drawn up. This agreement provided for a body of staff officers from Britain, Australia, and New Zealand cooperating in defense planning for Malaya. 28

Recognition of the strategic significance of Malaya led Australia to commit air forces to the area in 1950 and again in 1952. In 1954, following the settlement at Geneva over Indo China, Malaya took on greater strategic significance. In 1955 Australia committed ground

<sup>27</sup> Levi, op. cit., p. 192. 18 Ibid., p. 89.

troops to Malaya. This turn of events was prompted by the Australian analysis that the Communist guerrillas were, "acting for the benefit of outside powers. . . ."<sup>29</sup> The Australians couldn't bring themselves to admit they were principally Chinese Communists. Singapore, additionally influenced the Australian action. It was the only remaining strategic base which the British held in the Pacific.

Malaya achieved her independence in August of 1957. 30 This required a review of the Commonwealth defense agreement and in September of 1957 a new mutual defense agreement was published. 31

The Agreement provided for the British and Malayan government to cooperate in matters concerning the external defense of Malaya. The British Commonwealth Strategic Reserve was to be maintained in Malaya subject to conditions laid down by the Malayan government. The agreement provided that the Strategic Reserve could operate out of Malaya to protect Singapore, British Borneo and Hong Kong. These forces could not be used for activities in Southeast Asia without consent of Malayan authorities. Australia was not a signatory to the agreement. 32 As with most agreements concerning the Commonwealth the clear implication was that Australian forces committed to the Reserve would act in coordination with British, Malayan, and New Zealand forces. Following the Federation of Malaya and Singapore, additional consultations were held with the British about the possibility of including Sarawak and Sabah in the Federation.

<sup>29</sup> Ibid., p. 193.

<sup>31</sup>Albinski, op. cit., p. 457.

Indonesia had openly voiced its opposition to the Federation of Malaya into the state to be called Malaysia prior to the proclamation of its birth on 16 September 1963.  $^{33}$ 

Indonesia's protestations whether real or imagined provided the necessary ingredients, after West Irian, to enable Sukarno to maintain his coalition government. The British presence in Malaya lent credence to Sukarno's accusation of neo-colonialism. Russia's injection of massive economic and military aid, estimated to have been 1 billion dollars, during the West Irian campaign, may have required that Sukarno test his untried army by extending his hegemony over Malaya. 34 Indonesia carried out its threats to "crush Malaysia" by conducting raids in Borneo and Sarawak. British and Malaysian troops actually took up the fight in October and November of 1963. Australia's commitment to the Strategic Reserve did not move from Malaya to Borneo immediately. Discussions in Australia then revolved around the exact definition of the agreement for the defense of Malaysia on the part of her forces. Australia's position is characterized by indecision on the part of her forces. Australia's position is characterized by indecision due to fear of offending Indonesia, even though the terms of ANZAM clearly indicated her forces could be used in defense of Malaysia.

On 17 March 1964 the Minister of Defense announced that the Australian's were going to provide additional logistical support and

<sup>35</sup>Miller, op. cit., p. 14.

<sup>33</sup>J. D. Miller, "Problems of Australian Foreign Policy," Australian Journal of Politics and History, Vol. 10, April 1964, pp. 8-9.

34George A. Modelski, "Indonesia and Her Neighbors," pp. 6-12.

training personnel to Malaysia. One month later the Malaysians did request assistance from the Australian forces in the Strategic Reserve then concentrated in Malaya proper. Australia authorized the dispatch of a squadron of engineers from the Strategic Reserve to assist in road building and airfield construction. No combat troops were committed.

The Indonesian incursions into the Borneo states diminished during the spring of 1964 as a result of negotiations by United States Attorney General R. Kennedy with President Sukarno. 36 On 23 January 1964 President Sukarno ordered a cease fire to be put into effect. A conference was called in May of 1964 with President Macapagal of the Philippines acting as mediator in an attempt to solve the impasse between Malaysia and Indonesia. The negotiations provided for a general withdrawal of Indonesian forces from Sarawak and Sabah. Following the cease fire announcement, Indonesia continued to infiltrate guerrillas into Sabah and Sarawak and publicly announced it desired to supply its forces during the cease fire. Indonesia had clearly adopted a policy of direct confrontation with seeming disregard for the consequences. 38 During the remainder of 1964 further attempts for conciliation of the dispute were made through Malaysia's appeal to the United Nations and through third parties to no avail. Australia continued her dialogue with Indonesia attempting to persuade her to withdraw her troops.

<sup>36</sup> Garfield Barwick, "Australian Foreign Policy," Current Notes on International Affairs, Vol. 35, Mar. 1964, pp. 12-13.

<sup>37&</sup>quot;Malaysia Summit Meeting," Current Notes on International Affairs, Vol. 35, Jun. 1964, pp. 32-33. 38Barwick, op. cit., pp. 12-13.

In November of 1964 in recognition of the growing threat to her North and with the realization that her forward defense concept had little meaning unless she was willing to contribute to the concept, Australia announced sweeping changes to her defense program. 39

In February 1965 at the request of Malaysia Australia committed her infantry battalion from the Strategic Reserve in Malaya to assist the hard pressed British-Malaysian forces in Borneo. 40 This was followed on 29 April 41 by the commitment of an infantry battalion to South Vietnam.

The military threat posed by Indonesia's Armed Forces, since they have never been tested, is not known. In terms of strengths and equipment it is formidable.

The Army has a regular strength of 200,000 organized in battalion size units. They are equipped with American and some Soviet small arms. There is a paratroop force of approximately 13,000 men. The navy includes 1 heavy cruiser, 5 destroyers, 12 submarines (Soviet W-Class), 23 motor torpedo boats, 33 mortar gun boats, 6 frigates and necessary support craft. 42

The air force contains 60 MIG interceptors including 18 MG 21's, 25 TU-16 Badgers, 25 IL-28 Beagles, 18 B-25's and about 60 transport aircraft including some C-130 B's. There are at least 3 surface-toair missile sites. 43

40 Robert Menzies, "Aid for Malaysia," Australia in Facts and Figures, No. 85, Mar. 1965, p. 48.

42"The Military Balance 1965-1966," Institute for Strategic Studies, p. 34. 43<u>Ibid</u>.

<sup>&</sup>lt;sup>39</sup>Robert Menzies, "Sweeping Changes in Australia's Defense Program," Australian Daily News, 10 Nov. 1964, p. 1.

<sup>41</sup>Robert Menzies, "Statement of Prime Minister," <u>Current Notes on International Affairs</u>, Vol. 36, Apr. 1965, p. 178.

With Indonesia in control of West New Guinea, her army and her air force pose a threat to the northwestern position of Australia. The rugged terrain of New Guinea would preclude large scale ground movement but the possibilities of seaborne attacks, as the Japanese did in World War II, offer possibilities for flanking Papua-New Guinea. As with the Chinese, the submarines pose a definite threat to Australia's sea lanes.

## THE TOTAL THREAT

Indonesia's flirtation with Russia and China offers infinite possibilities for domination or neutralization of Australia. Were China successful in her campaign to extend her hegemony over Vietnam, Cambodia, Laos, Thailand, and Malaysia, Indonesia would probably be forced to submit. Chinese bases in Indonesia could then be used to attack Australia or at some future date neutralize or blackmail her with nuclear weapons.

Even though Russia is more remotely located than China the same general conditions hold true. Russia's superior submarine force operating from bases in Indonesia would isolate Australia from her allies.

Prime Minister Sir Robert Menzies in announcing his defense expansion stated:

The range of likely military situations we must be prepared to face has increased as a result of recent Indonesian policies and actions and the growth of Communist influence and armed activity in Laos and South Vietnam. If these collapse, there would be a grave threat to Thailand and the whole of Southeast Asia would be put at risk.

<sup>44</sup>Robert Menzies, "Sweeping Changes in Australia's Defense Program," Australian Daily News, 10 Nov. 1964, p. 1.

## CHAPTER 4

#### THE ARMED FORCES

Since Federation of the Australian colonies didn't take place until 1901 the history of the armed forces of the country is contemporary. In fact, no armed conflict as we know it has ever been fought on Australian soil. Volunteers did fight with the British in the Sudan in 1885 and approximately 16,000 fought in the Boer War (1899-1902). The first large scale war the Australians engaged in as a nation was World War I in 1914.

Prior to Federation the British provided both ground and naval defense forces. When the last "red coat" departed Australia in 18703 each colony provided for its own ground defense. By agreement, the colonies continued to be provided defense of their sea lanes by British ships. In 1909, 4 largely due to British-German rivalry on the high seas, causing the withdrawal of the major part of the British fleet to European waters, Australia began to organize and procure a navy of her own.

The experiences of World War I had a lasting effect on both the nation and the armed forces. This effect has been likened to the Civil War in which the United States engaged. Out of a population of less than 5,000,000, Australia raised forces totalling 416,000. Of this

<sup>&</sup>lt;sup>1</sup>Colin Clark, Australia Hopes and Fears, p. 25.

Russell Ward, Australia, p. 22.

Hartley Grattan, Introducing Australia, p. 222.

number 330,000 volunteers served overseas and sustained 226,073 casualties of which 59,258 were killed or missing in action. Casualties of 68.5 percent were the highest experienced by the allies during the war.<sup>5</sup>

"Australians, on the basis of their performance in two world wars, are universally regarded as rugged, resourceful and self-reliant fighting men." The Australians were the first to contribute forces to the UN effort in Korea and are presently engaged alongside the United States in South Vietnam.

The Department of Defense is responsible for the formulation and the general application of a unified defense policy subject to governmental and ministerial authority. This department also concerns itself with requirements, strengths, organization, disposition of forces, higher military appointments within the services, supply, and defense research and development. The Department is organized with a Defense Committee and a Chief of Staff Committee consisting of representation from the services, supply, and other governmental agencies to advise the Minister of Defense.

As a result of the Chinese Communist incursions into the SEATO area and the militant attitude of the Indonesians in the past few years, the budget for the armed forces has been steadily increasing. Expenditures for defense in fiscal year 1962-63 totaled \$481,500,000; in 1963-64, \$597,250,000; in 1964-65, \$742,500,000. Subsequent review

<sup>6&</sup>quot;Rich Easy Going Australia -- The Challenge Ahead," <u>U.S. News and World Report</u>, Vol. 58, 15 Apr. 1965, p. 80.

of the defense budget raised the totals to be expended through 1968 to \$2,945,000,000. Allocation for Civil Defense for 1964-1965 totaled \$742,500.

The major change in the outlook of Australia toward her defenses is in the procedures for raising the strength of the services and in particular the Army.

The 330,000 men who went overseas in World War I were all volunteers. During World War II it took Prime Minister Curtin until 1943 before he finally won the support of his own Labor Party for compulsory service in the Southwest Pacific area. It was not until after World War II that Australia had a small regular army. In 1964 the Federal Parliament passed a series of statutes providing for a system of National Service to select men to serve for two years in Australia or overseas. These inductees will become a part of the Regular Army. The Navy and Air Force will continue to raise their forces through voluntary enlistment. National Service provided its first selectees for training in July of 1965.

## THE ARMY

The army is organized with a Minister of the Army under which a Military Board is charged with control and administration. Command and control are carried out through an Army Headquarters and Commands corresponding to the states including a command to administer the defense needs of the Trust Territory of Papua and New Guinea.

World Report, Vol. 58, 11 Jan. 1965, p. 25.

<sup>&</sup>lt;sup>7</sup>Australian News and Information Bureau, <u>Official Handbook</u>, <u>1965</u>, p. 322.

8"Now Australia Finds She's in the Line of Fire," U.S. News and

The regular army currently has a strength of 22,800. With the increases authorized by Parliament in the 1964 defense review this strength will increase to 37,500 by the end of 1966. To arrive at this strength the compulsory service will select 4,200 men in 1965 and 6,900 the next year. Backing up the regular strength is a Citizen's Military Force which will be reorganized and strengthened to 35,000 men over the next three years. The CMF of all three services are subject to call-up in time of emergency. A Volunteer Regular Army Emergency Reserve of 4,000 former regular army members will be formed subject to call by the Governor General in case of emergency. 9

The bulk of the fighting strength of the Australian army is currently deployed in Southeast Asia. A reinforced battalion has been stationed with the Commonwealth Strategic Reserve in Malaysia since 1955. This battalion operates in regular rotation with other forces of the Reserve against the Indonesian guerrillas in North Borneo. In 1965, the Australians, in support of their SEATO obligations, committed an infantry battalion to South Vietnam. In addition they maintain approximately 80 advisors with the South Vietnamese Army. The present Australian commitment in Vietnam of 1500 will be expanded to a 3500 man brigade in the late spring of 1966. 10

The Pacific Islands Regiment, consisting of native troops cadred by regular Australians, is deployed in Papua and New Guinea.

<sup>&</sup>lt;sup>9</sup>Official Handbook, <u>op. cit.</u>, p. 327. 10'Washington Whispers," <u>U.S. News and World Report</u>, Vol. 59, 22 Nov. 1965, p. 33.

The expansion of the army calls for the provision of the most modern equipment of a type to improve both its ground mobility and air transportability.

In 1962 the United States and Australia signed a standardization agreement providing for materiel and nonmaterial consultations to further cooperative arrangements for the defense of Southeast Asia.

# THE NAVY

The Royal Australian Navy was established by the Defense Act of 1911. It is administered by a Naval Board consisting of the Minister for Navy, four naval members and a Secretary of the Department of the Navy. Continuous liaison is maintained with the British Admiralty and numbers of R.A.N. officers have taken their advanced training in England.

The R.A.N. is a volunteer service with a strength of approximately 12,569. The Defense Review of 1964 authorized an increase in this strength to 16,700 to be achieved by June of 1968. A Citizen Force of 5,202 reserves is available for call-up. 11

The isolated position of Australia from her allies and dependence upon sea lanes for commerce have caused the orientation of the R.A.N. to be on anti-submarine warfare. The flagship of the fleet is the aircraft carrier MELBOURNE. The MELBOURNE is to be refitted shortly which will take her out of commission for an undetermined period of time.

Two squadrons of navy Westland Wessex helicopters (20 aircraft) and a compliment of Gannet and Venom fighters are carried on H.M.A.S. MELBOURNE

<sup>11</sup> Official Handbook, op. cit., p. 324.

for anti-submarine detection and destruction. Escort ships consist of four destroyers and five frigates. Two more destroyers and three frigates are held in reserve for the combat fleet. R.A.N. also maintains a squadron of minesweepers of six ships, a replenishment tanker, a fast troop transport and survey and general purpose ships. Three submarines are attached to the R.A.N. for training purposes. 12

The 1964 defense program also provided for the acquisition of new ships and modernization of the fleet. Two of three US guided missile destroyers of the Charles F. Adams class were commissioned in 1965 and the third will be commissioned in 1966. A squadron of four British Oberon class submarines are being built in Britain with the first due for commissioning in 1966. These submarines will greatly assist in detecting submarines but will have a limited kill capability. The modernization of H.M.A.S. MELBOURNE and the Daring Class destroyers will provide these ships with the Seacat ship to air missile and the Australian developed Ikara anti-submarine missile. A replenishment ship is being procured in 1966 to provide seaborne facilities for supply and repair in the event British repair facilities in Singapore and Hong Kong should be lost. Fourteen patrol craft and two additional minesweepers are being procured from Britain for delivery in 1968.

The fleet air arm, established in 1948, has approximately 110 aircraft organized in five squadrons. The new defense program provides for the procurement of 14 US S2E tracker anti-submarine aircraft to be aboard H.M.A.S. MELBOURNE by 1967. Maritime patrolling is

<sup>12</sup> Ibid.

currently divided between the R.A.A.F. and the R.A.N. with two squadrons (20 aircraft) of Neptunes. 13

A submarine base and support facilities are being constructed for the Oberon Class submarines at Neutral Bay, Sydney. A new missile firing range in the Jervis Bay area on the south coast of New South Wales will be in operation by mid-1966. 14

R.A.N. deployments, with the exception of visits of the MELBOURNE and destroyers to Singapore, are limited. The extend of forces available in the R.A.N. may be gauged from the fact that the country has not been able to contribute more than four minesweepers for anti-infiltration control in Borneo. 15

## THE AIR FORCE

The Royal Australian Air Force was established as a separate service in 1921. The R.A.A.F. is administered similar to the Army and the R.A.N.

The R.A.A.F. is a volunteer service. Strength of the permanent Air Force was 17,675 in June 1965 with a planned increase to 21,000 by June of 1968. This increase was authorized by the Defense Review of 1964 to man new equipment being procured. <sup>16</sup>

The R.A.A.F. is organized with two commands. An Operational Command is responsible for the conduct of operations within Australia and its

<sup>13 &</sup>lt;u>Ibid</u>. 14 <u>Ibid</u>.

<sup>15&</sup>quot;Australia: An Ally Threatened Once Again," Washington Report, 30 Aug. 1965, p. 3.
16 Official Handbook, op. cit., p. 329.

territories. The Support Command is responsible for services to include recruitment.

The R.A.A.F. is currently organized with four squadrons (60 operational aircraft) of Avon Sabre fighters equipped with the Side-winder air-to-air missile, three squadrons (24 operations aircraft at any one time) of Canberra bombers, a squadron of US Hercules C-130 (10 aircraft) transports and two squadrons of Dakotas (C-47's). There are 12 Bell Iroquois helicopters for search, rescue, and army cooperation. A squadron of Bloodhound Mk I ground-to-air missiles rounds out the air force equipment. 17

The defense review of 1964 provided for the procurement of equipment to completely modernize the R.A.A.F. One hundred French Mirage III aircraft, largely built in Australia and equipped with the Matra air-to-air missile, will replace the F-86 Sabres. By July of 1965 twenty-one of these aircraft had been received. Twenty-four US F111-A's have been procured for delivery in 1967 to replace the Canberra bombers. Seventy-five new supersonic trainers have been procured to transition pilots. Twelve new improved versions of the Hercules C-130 are also being purchased along with ten Lockheed Orion anti-submarine aircraft to replace the R.A.A.F. operated Neptunes. <sup>18</sup>

Airfields are being constructed and lengthened to accommodate the new aircraft. On 25 June 1965 Australians announced they would build an 18 million dollar R.A.A.F. base at Wewak, territory of Papua-New Guinea, on the northern coast. This field will have a 12,000 foot

<sup>&</sup>lt;sup>17</sup>T. B. Millar, Australia's Defense and Foreign Policy, p. 78. <sup>18</sup>Official Handbook, op. cit., p. 328.

runway capable of accommodating the largest US bombers. Additional fields will be constructed at Tindal 200 miles south of Drawin with an 8,500 foot runway and at Learmouth North West Cape. British and Australian officials have been discussing the possibility of establishing a defense base at Freemantle on the west coast to be jointly used by the Strategic Reserve should Britain be forced to give up Singapore. The former naval base at Manus, Great Admiralty Island, 200 miles from Wewak, may be reactivated. The US is constructing a 70 million dollar very low frequency communcations station at North West Cape for fleet operationa in the Indian Ocean. The US space tracking station at Carnavon is located 200 miles south of the Cape. 19

R.A.A.F. deployments are primarily concentrated in Butterworth,
Malaysia as a part of the Commonwealth Strategic Reserve. They consist of two F-86 Sabre squadrons, a Canberra squadron, and a helicopter squadron. Another F-86 squadron is based in Ubon in northeast Thailand as a part of SEATO forces. A Caribou flight is operating with Australian forces in Vietnam. 20

# CAPABILITIES AND LIMITATIONS

The commitments which Australia has made to the Commonwealth

Strategic Reserve in Malaya and the forces engaged in South Vietnam

leave Australia in a precarious homeland defensive posture.

<sup>19&</sup>lt;sub>Harrigan</sub>, <u>op. cit.</u>, pp. 1-2. 20<sub>Official Handbook, <u>op. cit.</u>, p. 328.</sub>

The northern part of the country in the vicinity of Darwin is garrisoned by about 150 troops. Coastal guns in the port have been sold to the Japanese as scrap. There are no anti-aircraft batteries and until October 1964 the radar station operated on a 9 A.M. to 5 P.M. basis, Mondays through Fridays only. 21

Increases in the armed services will not begin to have any real effect until 1967. Requirements for training new inductees and support to the Pacific Islands Regiment in Papua and New Guinea have an impact on the army's capability to muster combat battalions. The R.A.A.F. will undergo similar difficulties in transitioning from the sub-sonic F-86 to the new Mirage jet fighter. Since the F-111A will not come into the inventory until 1968 the R.A.A.F. will have to make do with the obsolescent Canberra bomber.

If the navy withdraws the aircraft carrier MELBOURNE for extensive refitting, the ASW capability of the R.A.A.N. will go to almost zero for a period of time. The refitting of destroyers and frigates for up-gunning with Ikara anti-submarine missiles and the Seacat surfaceto-air missile will have a similar effect on the combat fleet. The Oberon Class submarines, from date of commissioning in 1966, will undoubtedly require extensive shake-down and crew training.

Serious shortages are apparent in air defense and associated equipment such as radars to control both missiles and aircraft.

Australia's defense efforts appear insufficient to secure the island continent, let alone provide troops for the Strategic Reserve

 $<sup>^{21}</sup>$ Joseph S. Roucek, "The Pacific in Geopolitics," <u>Contemporary Review</u>, Vol. 206, Feb. 1965, p. 75.

in Malaysia and forces to South Vietnam.

Australia has the wherewithall to increase her defense efforts at the expense of her economy. Until such time as that decision is made she is dependent on her allies to come to her assistance in time of need.

### CHAPTER 5

### SEARCH FOR SECURITY

Australia recognizes now as in the past that even with her increased defense efforts she would be unable to cope with the many contingencies with which she could be faced in Southeast Asia. "Its population is too small, its industries too undeveloped and much of its territory too empty for it to indulge in self-reliant or neutral policy."

In realization of this Australia has involved herself in alliances and engaged in diplomatic discussions and aid and trade agreements in an attempt to secure her position in the South Pacific. Since World War II Australia has considered United States participation as essential to the success of any security arrangements in the Pacific area. Australia's rationale is based not only on the power position which the United States occupies in the Pacific but also on the fact her traditional ties with England have been weakened largely through England's de-colonization of Asia.

## ALLIANCES

Australia's first efforts in attempting to establish a Pacific security pact were brought about by the signing of the North Atlantic

<sup>&</sup>lt;sup>1</sup>John B. Condliffe, <u>The Development of Australia</u>, p. 5. <sup>2</sup>Gordon Greenwood, ed., <u>Australia in World Affairs</u>, pp. 171-172.

treaty in 1949. Australia's attempt to establish such a pact in the Pacific failed largely because there were no Asian military powers to support such a pact and historically it had been determined that Europe was first priority in any confrontation. In the interim Australia settled for ANZAM, which involved Britain and New Zealand in providing for the security of Malaya. Militarily this pact did not mean much until Australia was forced to make good on her "forward defense" concept by committing troops to the Strategic Reserve. This was the first time Australia had stationed troops outside her borders in peacetime in providing for her own security. Heretofore she had depended on England to bear the brunt of such efforts. Australia was well aware that if she failed to act in her own behalf England might withdraw, leaving Malaya exposed to infiltration.

The ANZUS alliance was the direct outgrowth of the Korean War.

When the Chinese Communists entered the war on the side of the North

Koreans the United States pressed for a peace settlement for Japan in

order to re-arm her against the Communist pressure from the mainland of

Asia. Australia again advanced the idea of a Pacific pact. The United

States was unwilling to become engaged in such a pact because of her

commitments to the Korean effort. Under United States pressure Australia

signed the Japanese Peace Treaty in exchange for ANZUS. Australia

still remained obsessed with the Japanese threat to her shores and used

Werner Levi, Australia's Outlook on Asia, p. 89.

<sup>5&</sup>lt;u>Ibid.</u>, pp. 93-95.

this as additional bargaining power to involve the United States in a Pacific Alliance. ANZUS did not meet the desires of the Australians since it provided no forces in being as in NATO and was so written as to make it a consultative body on matters of defense and security between Australia, the United States, and New Zealand. However, for the period 1951 into 1953 ANZUS remained the only arrangement for the exchange of information and the provision for security to Australia in the South Pacific region. ANZUS treaty contained a preamble in which the future desires of Australia were stated, "further to coordinate their efforts for collective defense for the preservation of peace and security pending the development of a more comprehensive system of regional security in the Pacific Area. . . ."

Deteriorating conditions on the political and military scene in Asia were responsible for the creation of the Southeast Asia Treaty Organization. The British and the Australians both tried to interest the United States in a Southeast Asia pact in 1953 largely because of the successes the North Vietnamese were having against the French in Indo-China and ANZAM's involvement with the guerrillas in Malaya. 8 It was becoming readily apparent that both the Soviet and Chinese Communists were on the move again, having been frustrated in Korea. The dramatic change of events in 1954, with the defeat of the French, inspired renewed interest on the United States part for a collective defense agreement in Southeast

<sup>7</sup>U.S. Dept. of State, U.S. Treaties and Other International Agreements, Vol. 3, Part 3, p. 3421.

8Levi, op. cit., pp. 100-101.

Asia. The Geneva Conference of 1954 became the back-drop against which negotiation of SEATO began. The speed with which SEATO was negotiated reflected the fears in Australian and United States circles that the 17th parallel on which North and South Vietnam was divided would be largely an imaginary and temporary line. Australia also feared that Loas, Cambodia, and Thailand might fall to the Communists in a pincers movement cutting off Malaya and Singapore.

SEATO was consummated in September of 1954 as a defensive alliance. Signatories to the pact were Australia, France, New Zealand, Pakistan, the Philippines, Thailand, the United Kingdom and the United States. Australia was again frustrated in her efforts to become a part of an alliance with a command structure and forces in being. This treaty involved more parties but still required consultation before action could be taken against aggression in Southeast Asia. The pact did recognize two signs of the times. Subversion was recognized as a threat to the treaty area and the need for raising the standards of living amonst the member nations through cooperative efforts was also emphasized. In recognition of the threat posed by the North Vietnames, Cambodia, Laos, and South Vietnam were designated Protocol States, subject to the provisions of Article III and IV of the charter. These articles authorized the member nations to assist the protocol states with military and economic aid should they so request. 10

Australia's efforts to secure the participation of more Asian nations to identify SEATO as a regional security organization went for naught.

<sup>&</sup>lt;sup>9</sup>E. G. Modelski, ed., <u>Australia and SEATO</u>: <u>Six Studies</u>, pp. 56-57. 10U.S. Dept of State, Southeast Asia Treaty Organization, pp. 1-27.

The protocol states blocking access to Malaya were neutralized by the Geneva Agreement. India's refusal to join was based on her neutralist attitude plus open accusation of the "neo-colonialist" and "protectorate" overtones of the pact. 11 This was a severe blow to Australia's hopes of India denying the Indian Ocean approaches to Western Australia. 12

The geographic location of Pakistan and the Philippines on the flanks of SEATO left Thailand as the only participant directly between Australia and the mainland of Southeast Asia. Of the other members of the pact only the United States was firmly entrenched in Asia through bi-lateral defense agreements with Japan, China's Nationalists, and Korea. Since the treaty area did not include territories north of 21 degrees 30 minutes north latitude, the latter have not actively participated in SEATO. 13

Divergent interests of the treaty members over the years has watered down the efforts of SEATO from a military standpoint. Pakistan's participation in the treaty was largely to gain support for her dispute over Kashmir with India. When this culminated in a war with India in 1965

Pakistan received no support for her stand from SEATO. This event tended to neutralize any assistance which SEATO might expect from Pakistan.

French military influence disappeared with her defeat at Dienbienphu in Vietnam in 1954. In addition France advocates neutralism for Southeast Asia and participates in SEATO in an observer status only. Great Britain's decolonization of her former colonies in Africa and Asia make her less

<sup>11</sup> Greenwood, op. cit., pp. 342-343.

<sup>12&</sup>lt;sub>Levi</sub>, op. cit., p. 111. 13<sub>Levi</sub>, op. cit., p. 106.

inclined to involve herself in Asian affairs and her commitment to Malaysia is a moral one of ill-defined duration. Thailand is involved with the threat to her northern border as a result of North Vietnamese incursions into Laos and veiled threats from radio Peking from an organization identifying itself as the "Thailand Patriotic Front." Due to economic conditions, the Philippines have lent only moral support to SEATO. United States policy as stated from the inception of SEATO is to stem the tide of communism everywhere in Southeast Asia. Most of this effort has been placed in South Vietnam.

SEATO has not assisted or relieved Australia of her commitment to Malaysia. The reluctance of Australia to encourage Malaysia to request such assistance from SEATO undoubtedly stems from the fact that Australia does not desire to antagonize Indonesia with whom she now shares a border in New Guinea. With commitments to Malaysia and Vietnam, Australia can ill-afford to become involved on a third front.

The Australian paradox is that in spite of SEATO's grand designs she finds herself the only member nation with forces committed in Thailand and South Vietnam alongside the United States. These commitments as in the past are made with the realization that if Australia is to survive in the future she must be willing to assist in her own defense. Australia must look forward to the day when the British must withdraw from Malaysia and Singapore, and the United States withdraws from Southeast Asia in determining her defense arrangements.

<sup>14</sup> Paul Hausluck, "Australian Foreign Policy," <u>Current Notes on</u> International Affairs, Vol. 36, Mar. 1965, p. 121.

## FOREIGN AID AND TRADE POLICY

Australia's foreign aid policy is closely allied with her regional security arrangements. She allocates her meager resources based on treaty obligations, isolation from her major allies, and her restrictive immigration policy. This approach enables Australia to enhance both her security position and hopefully undoes some of the damage done by her restrictive immigration policy.

Australia played a large part in the formulation of The Colombo Plan in 1950. This plan provides for cooperative economic development in South and Southeast Asia. The original participants included the members of the Commonwealth. The United States joined in 1951 and Japan followed in 1954. The Plan now includes virtually all countries in South and Southeast Asia.

The Plan is divided into Technical Cooperation and Economic Development. The total value of the aid provided by Australia through 30 June 1964 amounted to approximately \$305,000,000. <sup>16</sup> India, Pakistan, Indonesia, Malaysia, and Ceylon were the major recipients of this aid. Under the training aspects of the Plan, Australia granted 5,235 training awards in other countries and in addition more than 15,000 private students received training in Australia. <sup>17</sup>

Under the SEATO charter, Australia had provided through 30 June 1964 \$10,750,000 in technical assistance and capital aid to Pakistan,

p. 132.

<sup>15</sup>Heinz W. Arndt, Australian Foreign Aid Policy, p. 12.
16"Australian Aid to Other Countries," SEATO Record, Vol. 4, Feb.
1965, p. 21.
17Australian News and Information Bureau, Official Handbook, 1965,

Thailand, the Philippines, and Vietnam. <sup>18</sup> Australia has also provided technical training for 200 trainees from member countries and senior military officers have visited Australia to develop cooperation between the armed forces.

The bulk of Australia's aid goes to her United Nations Trust

Territory of Papua and New Guinea. Under the terms of the trusteeship,
the Territory is to eventually receive her independence. Australia's
heavy commitment is largely to insure that she will not be accused of
neocolonialism in administering the Territory. With Indonesia now sharing a border with New Guinea this effort has taken on greater importance.

In 1964 Australia contributed approximately \$55,000,000 in interest-free
grants to the Territory.

Australia's efforts to maintain good relations with her neighbors through grants in aid are frequently not appreciated by her allies.

While ANZAC troops are engaged in counterinsurgency against Indonesians and Indonesian supported guerrillas in Borneo, Australia furnishes aid under the Colombo Plan. From 1950 through 1964 Indonesia received \$13,781,484 in aid from Australia.

Australia would like to parallet her aid grants with trade agreements to improve her image in Asia. While the potential markets in India, Pakistan, and Indonesia are large, these countries suffer from a severe shortage of foreign exchange. The only Asian country with which Australia conducts large amounts of trade is Japan.

<sup>18&</sup>quot;Australian Aid to Other Countries," op. cit., p. 21. 190fficial Handbook, op. cit., p. 132.

The trade policy which Australia adheres to in regards to Communist China has been described as "inconsistent, secretive, or hypocritical." Australia has had an embargo on the shipment of strategic materials to Peking since the Korean War. When England and some of the other Western powers modified their list of what could be shipped to China, Australia followed suit. The difference in Australia's case was that no list was published on what was considered strategic material. Each case is judged on its merits. At the risk of offending the United States, Australia believes that the less one can read about what is being shipped all the better. Exporters apply to the Board of Trade for an export license and the Minister for External Affairs puts his stamp on it if the item is not considered strategic. While there has not been excessive shipment of other than food-stuffs, Australia has exported finished steel, automobiles, and aircraft engine parts. 20

During the Sino-Indian border crisis in 1962 Australia rebuked

Communist China for her border infractions and contributed some 5 million

dollars in military assistance to India. In the same year wheat sales

to Communist China amounted to \$146,000,000. In 1963/64 China bought

37 percent 22 of the wheat and flour exported by Australia.

Australia's aid and trade policies seem to sometimes be in conflict with her overall stated objectives of identifying herself with Asia.

The rationale for Australia is to weigh the benefits to be arrived at

Henry S. Albinski, "Australia and the Chinese Strategic Embarbo," Australian Outlook, Vol. 19, Aug. 1965, pp. 117-128.

<sup>21&</sup>lt;u>Ibid.</u>, p. 126. 22<u>Official Handbook</u>, <u>op. cit.</u>, p. 196.

in giving aid and trading and then to select the course which satisfies her interests and doesn't offend her neighbors to the point of open expression.

# AUSTRALIA'S ALTERNATIVES

Australia's policies as a small nation in time of power contests made choice of sides necessary. For Australia neutralism is not a practical choice because in the immediate future Australia is determined to insure its defense and survival and grow to become a better nation in all senses of the term only in a world in which the exercise of power has been subordinated to principle.

Since the nations in Asia have been preoccupied with solving their own internal problems and sometimes do not fully appreciate the threat to their own security, Australia has aligned herself with the United States and Great Britain to insure her security. Within these parameters several alternatives are available to enhance the power position of Australia and further the national interests of the United States.

Australia could mobilize more of her manpower and thereby make more than a token contribution to her own defense and the defense of Southeast Asia. A country which raised a volunteer force of 400,000 in World War I, out of a total population of less than 5,000,000, should be capable of contributing at least that number out of a population of 11,000,000 today. By doing so Australia would establish herself as an Asian power rather than placing primary reliance on the United States for her security.

The major factor mitigating against the adoption of this course is that the Australian economy, now in the throes of a major expansion, cannot sustain this expansion and provide a military force of this size. It is not a question of "beans or bullets" but to equip and sustain such a force Australia would undoubtedly need the assistance of the United States. Australia lacks the arsenals to equip such a large force. By accepting aid from the United States, Australia would in effect become a member of the nations of Asia currently dependent on the United States for the bulk of their material. This is unacceptable to Australia, short of all-out war, since she prides herself in paying her own way. Were the Australian economy to falter the United States would end up underwriting one more country.

Australia could adopt a course which would combine the partial mobilization she is undertaking today with the acquisition of nuclear weapons within her own resources. With the nuclear stations being installed this year Australia will have the capacity for making approximately six tons of plutonium as by-products to the generation of electricity. This would enable Australia to manufacture about 1500 20-kiloton weapons a year. The cost of such a venture would require an initial expenditure of 900 million dollars and 1,000 technicians and scientists.

Annual expenses of 70 million dollars would be required to sustain the program. It is estimated time-wise it would require from seven to ten years for Australia to produce her first weapon. 23

While the acquisition of nuclear weapons by Australia would provide some deterrent and establish her as a nuclear power, with all the

<sup>&</sup>lt;sup>23</sup>A. L. Burns, "Nuclear Dispersal in Asia and the Indo-Pacific Region," <u>Defense Studies Project</u>, 1965, pp. 44-50.

attendant international ramifications, the cost in men and material would be prohibitive. These costs equal the dollars currently being spent annually for the Australian defense establishment. The F-111's being purchased from the United States, which could be used as a delivery system, would be obsolete before Australia produced her first bomb. Australia has taken a stand against nuclear proliferation but has not closed the door to the introduction of weapons to her soil. The United States naval communication facility at Northwest Cape in Western Australia is a good indication of where Australia stands on the nuclear matter. This facility is used to control and communicate with elements of the United States fleet operating in the Indian Ocean. These fleet elements are equipped with nuclear weapons. Australia is well aware that she enjoys the protection of our nuclear umbrella without the expense of developing her own weapons and the stigma which would be attached to her acquisition of such weapons by her Asian neighbors. 24

The alternative Australia could adopt which would best serve United States national interests in Asia and at the same time retain Australia as a viable nation involves using Australia as a United States base of operations. Australia could continue to build up her armed forces modestly while simultaneously building the infrastructure necessary to support United States forces in the Far East. This will become particularly important in the future when the United States withdraws either voluntarily or in the event she should be forced out of Southeast Asia.

<sup>24</sup> Henry S. Albinski, "Australia and Nuclear Affairs," <u>Pacific Affairs</u>, Vol. 38, Spring 1965, pp. 32-46.

Increases in air and port facilities, such as have been accomplished in Spain and North Africa by the United States, would serve a two-fold purpose. It would develop those facilities Australia currently is lacking in to open her frontiers and serve as stand-by bases from which the United States could assist both Australia and the other Asian nations in maintaining stability in the Far East. Prepositioned equipment depots could be established without the stationing of large numbers of troops. The climate of Australia is particularly well suited for the storing of equipment. The vast expanses of the Australian continent are well suited for training and staging of forces without interfering with the built-up areas.

Such a base development program should also take advantage of Australia's resources by planning for the manufacture of certain material involving heavy tonnages. Ammunition and petroleum products are examples of such items.

This latter course would prevent the loss of destruction of Australia by some outside power until such time as Australia built both her population and her economy to the point where she can reasonably be expected to stand alone.

The importance of Australia cannot be over-emphasized. Australia represents the "Achilles' heel" of the South Pacific region and her loss would remove the best ally the United States has in the Far East.

## CHAPTER 6

### CONCLUSIONS AND RECOMMENDATIONS

### CONCLUSIONS

Australia, occupying a land mass the size of the United States, represents a Western-oriented society transplanted to the South Pacific. The Australian government is democratic, stable, and patterned after that of the United States and England. There is currently a lack of political party interplay as evidenced by the current government which has been in power since 1949.

The Australian population, numbering approximately 11 million, is the most urbanized society in the world. Most of the population is concentrated in the southeastern portion of the country leaving the northern and western portions largely unpopulated and therefore susceptible to infiltrations in time of war.

Australia has made great strides in diversifying her economic base in the last 20 years. The economy is expanding at a fantastic rate largely due to the infusion of foreign capital. In spite of this, agriculture still accounts for the bulk of Australia's foreign exchange.

Australia's resources are adequate to sustain economic growth.

Australia's immigration policies, which selectively exclude the colored race, have a definite effect on Australia's attempts to be identified as an Asian-oriented nation. Her close association with the United States and England further compounds the identification problem.

The major threat to Australian security is Communist China.

This currently represents an indirect threat to Australia. However,
the instability of the countries of Southeast and South Asia surrounding Australia to the north makes them highly susceptible to Chinese

Communist pressures. Were these countries dominated by Communist China,
Australia would find her position untenable. Indonesia on the other
hand represents a vague direct threat at the present time. Vague because
Indonesia is currently undergoing governmental, social, and economic upheaval.

This combined threat, coupled with the realization that she could never go it alone, has caused Australia to align herself with the United States in the ANZUS and SEATO alliances. To insure that the United States would stand by her commitments to Australia, Australia has forces in Thailand, Malaysia, and is fighting alongside the United States in Vietnam.

Australia is currently expanding her armed forces to meet the growing threat in Southeast Asia. This is a modest expansion which could be increased. Australia currently spends less than four percent of her GNP on defense. England spends six percent.

Australia will one day represent a power in the Pacific. Australia is the most reliable ally the United States has in the Far East. The loss of Australia to an outside power would eliminate the only English speaking nation which at some time in the future might be essential to United States presence in Asia.

## RECOMMENDATIONS

Australia should be encouraged to modify her immigration policies in an attempt to alleviate her problem of acceptance by her Asian neighbors.

The United States should insist that Australia increase her armed forces and share a proportionate load of the defense of Southeast Asia. The United States should make available those weapon systems necessary for the establishment of the armed forces at cost and on long term credit so as not to upset the Australian economy.

The United States should join with Australia in developing an operational base in Australia in the event the United States either elects or is forced to withdraw from her bases in the Far East. The planning for the development of such a base should begin immediately.

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