Part I

Pacific War to the Bougainville Crisis, 1942–90

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Setting the scene

*Australian security and aid policies in the Pacific Islands,
1945–90*

The strategic imperatives that obligated Australia's peacekeeping in the Pacific Islands during the period 1980–2006 have their origins in the Pacific War. Japanese military encroachments into South-East Asia and the Pacific Islands that culminated in air and submarine raids on the Australian mainland in 1942 prompted widespread fears of invasion. The defeat of British forces in South-East Asia in the same year marked the end of Australia's most significant organising principle for foreign and defence policy, as well as understanding of its strategic interests.

By the time the United States defeated Japan in 1945, Australia had reoriented its defence alliance priorities from Britain to the United States and realised that it was time to bolster its own military capabilities to ensure that the country would never again be threatened by a military power occupying its regional neighbourhood. The defence policy pillars of maintaining a strong American alliance and denying any other major power strategic influence in Australia's near region were built in the middle of the twentieth century and influenced Australia's foreign and defence policies towards its near region.

After the shocks of the Pacific War, the onset of the Cold War and the rise of the Communist People's Republic of China followed by communist-inspired insurgencies in South-East Asia in the 1950s and 1960s accentuated Australia's fears that its regional neighbourhood would again succumb to the influence of an inimical foreign power. The alliance with the United States became the centrepiece of Australia's defence policy, accompanied by efforts to strengthen regional alliance arrangements in South-East Asia in order to contain China and thwart insurgencies.[1] Australia participated in the Korean War, the Malayan Emergency, the Malaysian and British response to Indonesian Konfrontasi (Confrontation) and the Vietnam War as part of a forward defence policy designed combine with allies to block threats to Australia far from the Australian homeland.[2]

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1   Bell, *Dependent Ally*, and Ovendale, *The English-speaking Alliance*, pp. 211–14.
2   Australia's motives for participation in these conflicts are described in O'Neill, *Australia in the Korean War 1950–53*, and Edwards, *Crises and Commitments*, pp. 376–86.

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In the late 1960s Australia was forced to reconsider its policy of forward defence. The withdrawal of Britain east of the Suez, combined with US President Richard Nixon's Guam Doctrine of 1969 (in which allies were encouraged to allocate more resources for their own defence) and his *rapprochement* with China in 1972, caused Australia to rethink its defence policies. The result was a new defence policy of 'self-reliance within an alliance framework' spelt out in Australia's first major Defence White Paper in 1976.[3] Subsequently, Australia began to engage the countries of South-East and East Asia more independently.[4] The end of the Cold War in 1989 and increasing trade with Japan, South Korea, Taiwan and China resulted in Australia taking its place in the Asia-Pacific Region more astutely and less defensively.[5] By 1990 Australia sought its security *in* the Asia-Pacific region rather than *against* it.[6]

Against this shifting geopolitical background after the Second World War and evolving regional engagement in Asia after the end of Australia's participation in the Vietnam War, there was little change in Australia's broader policies towards the Pacific Islands until decolonisation. Australia had to adapt to a region without British control of Fiji and Solomon Islands. The British–French Condominium of the New Hebrides gained independence as the new state of Vanuatu in 1980. Australia faced the challenge of assisting its Territory of Papua and New Guinea towards mature nationhood after its independence in 1975. This new nation state called Papua New Guinea (PNG), as well as Australia's other Melanesian neighbours, became the recipients of millions of dollars of Australian development aid. Broadly, this aid was intended to assist regional neighbours to govern using adopted Westminster parliamentary and English common law judicial systems, deliver administrative and essential services and build infrastructure, as well as develop and manage mixed economies.

Despite Australia's efforts to assist its Pacific Islands neighbours meet the challenges of nationhood, political, social and economic conditions in the region deteriorated. Bestowed Westminster systems in PNG, Fiji and Solomon Islands proved to be 'an ill-fitting overlay of state institutions' that competed with chiefly systems, clans and traditional custom for the allegiances of civil society and struggled to manage ethnic diversity.[7] By the 1980s standards of governance, living conditions, especially in urban centres, infrastructure development and economic performance had declined in the Pacific Islands. It was unrealistic to have expected Australian aid programs to arrest this decline without recolonisation, an unthinkable Australian response to the plight of its neighbours.

This chapter sets the scene for this volume by providing historical context for Australia's peacemaking and eventual intervention in support of peace in the Pacific Islands during the period 1980–2006. It explains the centrality of the US alliance and the policy of strategic denial, and encapsulates Australia's initial responses to the decolonisation of the Pacific Islands, which shaped later interventions.

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3   Department of Defence, *Australian Defence*.

4   See Edwards, *A Nation at War*, pp. 340–1.

5   See Evans & Grant, *Australia's Foreign Relations*, Evans, *Cooperating for Peace*, and Evans, 'Australia's regional security environment', in Ball & Horner, *Strategic Studies*.

6   Fry, 'Australia's regional security doctrine', p. 1.

7   ASPI, *Our Failing Neighbour*, and Breen, 'Peace support operations', pp. 43–55.

TOWARDS STRATEGIC DENIAL

Until 1941 Australia's military involvement in the security of the Pacific Islands was intermittent, brief and, bar one independent attempt by Queensland to annex Papua in 1883, largely at Britain's behest. As a former colony and loyal dominion with strong cultural, defence and economic ties, Australia perceived its interests as congruent with Britain's in the near region, with the exception of Britain's denial of Queensland's aspirations to annex Papua.[8] The British Government prompted Australia's first military intervention in the Pacific Islands on 6 August 1914 by asking the Australian Government to seize German Navy radio stations in the south-west Pacific. The hastily assembled Australian Naval and Military Expeditionary Force accomplished this mission in a few weeks with few casualties. Australia maintained a small garrison force in German New Guinea until the end of the war.[9] At sea, the Royal Australian Navy was Britain's Pacific Islands surrogate while the Royal Navy was busy in Europe. Australian ships visited the British Solomon Islands group, the New Hebrides (now Vanuatu) and Fiji during and after the First World War. These voyages were favours to 'show the flag' – an encouragement of allegiance.

As a result of Australian Prime Minister Billy Hughes' forceful representation at the Versailles Peace Conference of 1919, the victorious allies favoured Australia's strategic ambitions for exclusive control over the Melanesian islands to its north.[10] These aspirations had been apparent since the newly formed Parliament of the Commonwealth of Australia sought control in 1901 (see Map 2).[11] The motives were defence of the homeland and maritime trade routes to and from it.[12] In 1902 Britain had bequeathed British New Guinea, the south-eastern quadrant of the archipelago, to its new dominion, and the Australian Government renamed the former colony the 'Territory of Papua'. In an effort to lengthen its strategic buffer, the Australian Government offered to buy West New Guinea from the Dutch in 1903, but they were not interested in selling.[13] So, in 1920, after the League of Nations added German New Guinea to the Territory of Papua, Australia controlled the eastern half of the island of New Guinea and adjacent island groups under a C Class mandate. The Dutch controlled the western half of the archipelago. In effect, the League had for the purposes of ordering the underdeveloped world under Western control corralled hundreds of different Melanesian ethnic groups inside arbitrary colonial borders.

Under its covenant, the League of Nations expected Australia and its administrators to attend to the well-being and development of indigenous societies in the former German colony, who were 'not yet able to stand by themselves under the strenuous conditions of the modern world', as 'a sacred trust of civilisation' through 'tutelage' and 'just treatment of the native inhabitants'.[14] Thus, in 1920 an international body gave

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8   For more on the attempted annexation of Papua see Queensland State Archives, '1883 – Annexing a foreign nation', <www.archives.qld.gov.au> (retrieved 6 November 2015).

9   See Mackenzie, *The Australians at Rabaul*.

10   Spartalis, *The Diplomatic Battles of Billy Hughes*, and Horne, *The Little Digger*.

11   Meany, *The Search for Security*.

12   Griffin, Nelson & Firth, *Papua and New Guinea*, p. 21.

13   In 1828, the Dutch Government claimed the south-west coast of New Guinea as part of the Dutch East Indies, adding the north-west coast and the territory in between in 1848. See Thompson, *Australian Imperialism*.

14   See Thompson, *Australian Imperialism*, and Covenant of the League of Nations, Articles 22 and 23.

Australia developmental and humanitarian as well as administrative obligations in its regional neighbourhood that would influence Australian policy-making thereafter.

Control of the former German territories in Melanesia strengthened Australia's defence in one way by both removing German influence from the south-west Pacific and leaving a northern island buffer against Asian military power. In another way, Australia's defence was diminished when the League gave Japan control of parts of Micronesia adjacent to Australia's new mandated territories in Melanesia. As a result, Japanese naval vessels and aircraft had bases closer to the Australian homeland and trade routes that were capable of supporting land forces stepping towards Australia via the Melanesian archipelago.

The outbreak of the Pacific War in December 1941 realised long-held Australian fears of invasion from the north and exposed the Singapore Strategy (defence of South-East Asia from Singapore) to its first and ultimate test.[15] Japanese aircraft attacked the US Naval Base at Pearl Harbor on 7 December 1941 and sank capital ships HMS *Repulse* and HMS *Prince of Wales* in the South China Sea three days later. Japanese forces surged down the Malay Peninsula and captured Singapore on 15 February 1942. During the six months after the bombing of Pearl Harbor, the Japanese armed services defeated American, Australian, British and Dutch forces in South-East Asia and the south-west Pacific, and encroached into the Pacific Islands. Japanese forces used bases there to launch air and naval attacks on the Australian mainland and to threaten trade routes. The naval battles of the Coral Sea and Midway in May and June 1942 respectively thwarted Japan's strategic aspirations, but for most of 1942 the Australian people feared invasion.[16] The Kokoda campaign in New Guinea in 1942 accentuated those fears.[17]

While Australia had a large army composed of national militia and a volunteer expeditionary force, called the Second Australian Imperial Force, its Navy and Air Force were small. The United States sent troops to Australia and, together with Australian forces, they defeated the Japanese on New Guinea and either forced the withdrawal of, destroyed or contained Japanese forces further north over the following two years.

Fears of invasion and the spilling of Australian blood on south-west Pacific island battlefields shaped national attitudes to its regional neighbourhood. Coral Bell, a renowned Australian strategist, has argued that these experiences haunted all Australian strategic inquiry thereafter.[18] After the Pacific War, successive Australian governments viewed the south-west and Pacific islands arc of islands, which begin with the New Guinea land mass and islands to the north and stretch through the Solomon Islands group, and onto the Fijian island group further south-east, as important for Australia's defence (see Map 3).[19] Australian governments vowed to prevent hostile powers using the islands of the New Guinea archipelago in particular to move military forces towards Australia and threaten trade routes.[20] During the Cold War, Australia's strategic

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15   Bridge & Attard, *Between Empire and Nation*, and Hamill, *Strategic Illusion.*

16   Stanley, *Invading Australia*, Frei, *Japan's Southward Advance*, and Brown & Anderson, *Invasion 1942?*

17   See Woodman, 'The ghost of Kokoda', pp. 29–32.

18   Bell, *Nation, Region and Context*, p. 51.

19   Report, 'The strategic importance to Australia of the Pacific Islands area, Australian brief for quadripartite talks – April 1967', attached to Report by the JPC at a Meeting on 23rd March 1967', 23 March 1967, AWM 121, 85/A/2. See also Ayson, 'The "arc of instability"', pp. 215–31.

20   Dupont, *Australia's Threat Perceptions,* JCFAD, *Threats to Australia's Security,* Fry, *Australia's Pacific Islands Policy*, and Herr, 'Preventing a Pacific Islands "Cuba"', pp. 13–15.

assessments emphasised the imperative of keeping the near region free from 'communist influence'.[21] The priority on denying the Pacific Islands to outside influences continued thereafter.[22]

Australia's policy of strategic denial therefore had its origins deep in the Australian psyche. The fear of inimical powers strangling Australia's trade by occupying parts of Melanesia formed in the nineteenth century and deepened in the twentieth century. It obligated Australian interest in its Melanesian neighbourhood to keep out hostile third-country influences. Therefore one of Australia's most important national interests was to assist in preventing and resolving conflict in the Pacific Islands. While not seeking hegemony, Australia sought enduring and significant influence in the region. Implementing this policy became more complex and expensive after the Second World War as former colonies, protectorates and administered territories became independent.

DECOLONISATION OF THE PACIFIC ISLANDS

In 1945, the United Nations, a more comprehensive and inclusive international organisation, succeeded the more selective League of Nations. The United Nation's purpose was to 'to develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, and to take other appropriate measures to strengthen universal peace'.[23] The UN international trusteeship system replaced the League's mandate system for former colonies and protectorates. Trusteeships were intended to promote peaceful, prosperous and enlightened international development leading to self-government.[24]

The United Nations gave emerging indigenous nationalism in European colonies in Africa and the Asia-Pacific region both a forum and a coordinating body for decolonisation. Between 1945 and 1965 about sixty colonies of the European empires gained constitutional independence.[25] After two decades of change, many former colonies, protectorates and trust territories in the Pacific Islands region began gaining political independence in the 1970s. Only the very smallest islands remained under UN trusteeship arrangements.[26]

Dr H.V. (Bert) Evatt, Australia's post-war External Affairs Minister, participated in developing the content of Chapter XI of the UN Charter, the Declaration Regarding Non-Self-Governing Territories.[27] Obligations included ensuring the political, economic, social and educational advancement and just treatment of indigenous peoples in order to develop a capacity for self-government. Article 74 encouraged policies based on

21 Cable 29441, Washington to Canberra, 21 November 1962, minute, Maj Gen M.F. Brogan, Director, JSP, JPG, 'Pacific Islands area – Strategic appreciation', 3 November 1965, report, 'The strategic importance to Australia of the Pacific Islands area, Australian brief for quadripartite talks – April 1967', attached to Report by the Joint Planning Committee at a Meeting on 23rd March 1967', 23 March 1967, all in AWM 121, 85/A/2.

22 See Fry, 'Australia and the Pacific Islands'.

23 UN Charter, Chapter 1 Purposes and Principles, Article 1, paragraph 1.

24 UN Charter, Chapter XII, International Trusteeship System, Article 76, paragraph b.

25 Lowe, *Australia and the End of Empires*, p. 1.

26 In September 1975, when Papua and New Guinea acceded to independence, the Trust Territory of the Pacific Islands (Northern Mariana Islands, the Federated States of Micronesia, the Marshall Islands and Palau) became the only territory managed by the UN Trusteeship Council and was placed under US administration.

27 See Hudson, *Australia and the New World Order*.

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'the general principle of good-neighbourliness', an echo of the aspirations of the League of Nations for Australia's humanitarian and developmental influence in its near region.

Under the provisions of Chapter XI, the United Nations encouraged Australia, Britain, France, New Zealand and the United States to prepare their Pacific Islands colonies, protectorates and administered territories for independence. The challenges ahead were to encourage indigenous succession through educated, civic-minded elites and prepare diverse ethnic groups for participation in national self-government, as well as build mixed economies with the capacity to provide revenue for administration, essential services, law and order, and infrastructure.[28]

Decolonisation changed the dynamics of Australia's relations with its Pacific Islands neighbours. Australia began to distribute development aid, mostly in the form of advice, funds and infrastructure development, in order to encourage stable, independent democratic governments that would be underpinned by viable economies and stable civil societies.[29] In 1976, in recognition of the need for stronger policy direction and coordination, the Australian Government formalised its international aid program ending control by the Department of External Territories and setting up the Australian Development Assistance Bureau as part of the Foreign Affairs portfolio.[30] The Jackson Review in 1985 enshrined the objectives of Australia's regional aid program, namely, humanitarian assistance, support for Australia's strategic interests and promotion of Australia's commercial position.[31]

In the decades after the Pacific War Australia's Department of External Affairs had evolved into a highly professional diplomatic service.[32] Although the Pacific Islands region was of secondary importance to Australia's diplomatic relations with the United States, Europe and Asia, the Department maintained strong and enduring relations in the Pacific Islands, especially with PNG. Australian diplomats worked with their New Zealand counterparts to create the architecture for cooperative regional economic development among new Pacific Islands nations.[33]

The Pacific Islands Commission (SPC), was founded in Australia in 1947 under the Canberra Agreement by the nations that then administered territories in the Pacific: Australia, France, New Zealand, the Netherlands, Britain and the United States. The Commission aimed to restore stability to a region that had had been unsettled by the Second World War, to assist in administering their dependent territories for the benefit of the people of the Pacific.[34] Over the coming years as each territory gained independence, the SPC incorporated them as members for the purpose of cooperation and information exchange on a range of economic, health, education and social issues.[35]

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28   Fry, 'The Pacific Islands "experiment"'.

29   White, 'Australia – Pacific islands', pp. 118–20.

30   In 1987 the name was changed to the Australian International Development Assistance Bureau (AIDAB), and in 1995 to the Australian Agency for International Development (AusAID).

31   JCFAD, *The Jackson Report*.

32   Beaumont, Lowe & Waters, *Ministers, Mandarins and Diplomats*.

33   See Gyngell & Wesley, *Making Australian Foreign Policy*.

34   The name Pacific Islands Commission was changed to the Pacific Community at the fiftieth anniversary conference in 1997 to reflect the organisation's Pacific-wide membership. In 2010, SPC's 26-strong membership included the 22 Pacific Island countries and territories along with four of the original founders (the Netherlands and Britain withdrew in 1962 and 2004 respectively when they relinquished their Pacific interests).

35   See Secretariat of the Pacific Community, *Meeting House of the Pacific*.

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The most important organisation for regional dialogue and cooperation was the inter-governmental South Pacific Forum, which became the Pacific Islands Forum in 2000.[36] Established by a core group of member countries in the Pacific Islands region in 1971, it would grow to 16 members and meet annually.[37] Focused on creating the Pacific Islands as a neighbourhood of peace, harmony, security and economic prosperity, the Forum was a mechanism for regional cooperation in areas of mutual interest. In the 1970s and 1980s leaders met to discuss mostly trade, development, social and law-and-order matters.[38]

A British connection was also important. The Commonwealth of Nations, founded in 1949, was also a mechanism for regional cohesion and cooperation. It was established as 'a voluntary association of independent states with their shared inheritance in language, culture and the rule of law consulting and cooperating in the common interests of their peoples, and in the promotion of international understanding and world peace'.[39] Australia, Fiji, Kiribati, Nauru, New Zealand, PNG, Samoa, Solomon Islands, Tonga and Vanuatu all became members, reflecting their former colonial status or other association with the British Empire.

Mindful of the challenges ahead for newly independent nations, Australia and New Zealand supported the establishment and consultative activities of the South Pacific Forum, as well as several ancillary organisations. The Commonwealth complemented the Forum by assisting Pacific Islands nations to meet and cooperate in mutual self-interest. Within the context of peacemaking, both the Forum and the Commonwealth had the potential to mediate disputes regionally rather than involve the United Nations.

In the 1970s, the need for peacemaking that might be accompanied by peacekeeping or peace enforcement operations in Melanesia was felt to be remote. Cooperative arrangements among Melanesian nations through regional organisations, such as the South Pacific Forum and the Commonwealth, seemed to be working satisfactorily. The police forces of each nation were maintaining law and order internally. There did not appear to be any external threats to sovereignty. With the exception of the shared border between PNG and Indonesia, there was little prospect of conflicts related to territorial boundaries. The Cold War did not adversely influence relations between Pacific states.[40] Although there were occasional concerns in Australia about the interest of the Soviet Union in the Pacific Islands, this in fact appeared to be confined to hydrographic survey assistance and small-scale commercial fishing.[41]

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36 See Doran, 'Australia and the origins of the Pacific Islands Forum'.

37 Commonwealth of Australia, Cook Islands, the Republic of the Fiji Islands, Republic of Kiribati, Republic of the Marshall Islands, Federated States of Micronesia, Republic of Nauru, New Zealand, Niue, Republic of Palau, Independent State of Papua New Guinea, Independent State of Samoa, Solomon Islands, Kingdom of Tonga, Tuvalu and Republic of Vanuatu, plus two associate members and several observers.

38 For copies of communiqués from all Pacific Forum meetings see <www.forumsec.org/pages.cfm/documents/other?PageIndex=3> (retrieved 24 August 2007).

39 See <www.thecommonwealth.org>

40 Smith, Cox & Burchill, *Australia in the World*, pp. 135–44.

41 In 1981 the Soviet Union offered hydrographic survey assistance to Vanuatu and Solomon Islands. Hastings, 'Regional defence cooperation', p. 134. The Soviet Union signed fishing agreements with Kiribati and Vanuatu in 1985 and 1986 respectively. Lal & Fortune, *The Pacific Islands*, p. 395, and Nicholas D. Kristof, 'Fishing yields Soviet a Pacific islands toehold', *New York Times*, 17 May 1987.

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Decolonisation therefore obligated more sophisticated Australian engagement with the Melanesian, Polynesian and Micronesian regions. The international community expected Australia to assist with the development and well-being of Pacific Islands neighbours. Through development aid Australia established itself as a helpful and influential neighbour, providing advisory services and financial assistance, but leaving independent Pacific Islands countries to meet the challenges of nationhood. This approach respected sovereignty, as well as a desire to avoid an appearance of neocolonial interference. In the spirit of neighbourly cooperation, and eschewing hegemony, Australian governments offered advice and funds to assist in the development of a peaceful and prosperous regional neighbourhood.

INSTABILITY IN THE PACIFIC ISLANDS

Threats to peace in the Pacific Islands in the 1970s and 1980s turned out to be internal rather than external and political rather than military. In the late 1980s sudden outbreaks of civil disorder in the capitals of Fiji and Vanuatu (in 1987 and 1988 respectively) demonstrated both the volatility and fragility of Vanuatu's and Fiji's polities. In Vanuatu, leaders with religious, family and clan support initiated politically motivated violence in 1988, as had been the case in 1980 during a secessionist rebellion.[42] In this manner, coalitions of family, clan and commercial interests seriously threatened an elected prime minister and his government twice in eight years (see chapter 2). In 1987 Fijian military personnel, with the covert support of indigenous Fijian chiefs and a Fijian nationalist organisation, forced an elected prime minister and his government from office twice, and at gunpoint (see chapter 3).

Australia's Pacific Islands neighbourhood was tranquil no more.[43] Independence and the receipt of financial aid and advice afterwards had not resulted in successful nationhood. Rather, parliamentary democracy was struggling to put down roots. A generation of Pacific islanders composed of altruistic and public-minded leaders, as well as more nationalistic, venal and assertive individuals, was competing for power.[44] Traditional chiefly systems, an increasingly violent competition for power, mismanagement of public finances and limited economic opportunities, as well as the diversity of the population worked against a smooth transition to nation states with effective governance and viable mixed economies.[45]

While Vanuatu and Fiji faced the challenges of nationhood and civil discontent in the late 1980s, Australia had sown the seeds for civil discontent in its Territory of Papua and New Guinea in two ways in the 1970s. Australia rushed independence in a manner that did not accommodate secessionist aspirations in several provinces. The Australian Government also bequeathed an indigenous army to the PNG Government in 1975 that would, in the company of heavy-handed riot police (known as Mobile Squads), provoke

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42 This was a struggle for dominance within the ruling Vanua'aku Pati, which pitted Walter Lini (northern, Anglican) against Barak Sope (central/southern, Presbyterian).

43 Warren Osmond, 'Trouble in Pacific Islands: The causes lie mainly within', *SMH*, 18 May 1988; Rowan Callick, 'Vanuatu crisis: A variation on a growing Pacific theme', *Financial Review*, 24 May 1988, p. 13; and Roy Eccleston, 'An uneasy coming-of-age', *Weekend Australian*, 28 May 1988, p. 43.

44 Eccleston, 'An uneasy coming-of-age', p. 43.

45 Hagan, *The Failure of Democratic Politics in Fiji*, Dorney, *Papua New Guinea,* and Campbell, *A History of the Pacific Islands*, chapter 16.