Chapter 3

The Early Fraser Ministry

James Killen, Minister for Defence

Before retirement in 1979 I served my remaining four years in government service under James Killen as Minister and Malcolm Fraser as Prime Minister. At the end there was a well-intentioned, but publicly controversial and financially impractical, proposal from Ministers that I accept an extension beyond the compulsory retiring age of 65, which I declined. On retirement, I was able to turn to neglected family affairs, some writing and occasional involvement in seminars, and to take a short-term appointment nominated by the Prime Minister to review the Public Service in Fiji for that Government.

Killen had held the Navy portfolio (now defunct) in the McMahon Ministry. After the now familiar formalities of inducting a new Minister into some classified areas which were subject to limited access, my first interest was to ascertain whether the reorganised system, and the policies put in place by his Labor predecessor, would be confirmed or wound back. Several matters hung in the air. Although amendments to the *Defence Act* had been proclaimed, they were not to come into effect until February 1976. The content of the Five Year programme would need to be reviewed by the Government, along with its underlying strategic assumptions. We could expect a call for a comprehensive review of those assumptions. Recommendations expected from the Hope Royal Commission affecting Defence would require decision. There was the Defence Force Academy project, several times deferred. There were inefficiencies, such as the low productivity of the civilian workforce in the Williamstown Dockyard managed by the Navy, which needed fixing. The Department had the problem of the over-manned technical and support staff which had been dedicated to the long defunct rocket programme at Woomera. I needed also to learn from the new Minister how he would respond to the unabated sniping from his backbench over the role of civilians in the Department.

Killen confirmed that the Coalition would not try to unwind the system embodied in the legislation. But he wished to place above it a Defence Council chaired by the Minister. I had the documentation prepared. My own attitude was that it was not really necessary to have a Council for him to call in the Secretary and the Chiefs to report collectively to him, but there was no harm in it. Unlike the kind of executive Board of Management for which some Chiefs had hankered, and with which Killen was familiar in his Navy portfolio, such a Council could not be reconciled with the new legislation establishing new lines

of authority downwards from the Minister through the diarchy accountable to him. A new Council could advise the Minister but not make decisions. In the event it met rarely.

Problems to overcome in the new system

The time had come to work out arrangements and procedures between the Secretary and the newly created office of Chief of Defence Force Staff in the exercise of their joint administration of the Defence Force. At the same time each Service Chief, now possessing sole command of his Service, had to be given the financial and other delegations needed for him to exercise this comprehensive responsibility, acting within the policy parameters bid down from the Department.

Within the Department it was necessary to give practical shape to the several 'organisations', described in my Report, in the form of conventional Public Service establishments—in most cases divisions headed by First Assistant Secretaries under a Deputy Secretary. I obtained the concurrence of my Service colleague, General Sir Francis Hassett, with this new structure of functional Divisions overseeing uniform policy application to all three Services. Some were headed by two-star Service officers, some by civilians. For example a new Facilities Division, to which I appointed an officer who had originally been a Defence Scientist, would programme the construction and maintenance of buildings and facilities at Service bases. In this way I intended to bring under supervision specifications which sometimes were the product of ambitiously creative Works Department architects, with no incentive for economy, and base commanders seeking nothing but the best for their headquarters. In contrast, living quarters for soldiers' families in Townsville and elsewhere in the North lacked amenities, as a result of earlier Treasury control requiring the Services to conform to the standards of State housing commissions.

The new situation facilitated the setting up by the Department, without tedious negotiation with independent Services, of project teams to manage the acquisition of capital equipment whose procurement and performance specification had previously been approved elsewhere in the system and endorsed by the Minister. It was not so easy to find qualified Service leaders in this field, and thereafter to prevent the loss of the expertise they acquired as a result of their Service's promotion or posting policies that took them away to other duties. We had other frustrations, working subject to the rigidities of different portfolio authorities outside Defence. While approving contracts with overseas suppliers involving large financial implications (larger than likely to be found in the private sector), and with the need for them to conform, subject to penalties, to strict Service specifications, I was denied having legal advice at one's elbow. The indivisibility of Commonwealth legal opinion required that we take time to inform and consult another Department, and to accept the Attorney-General's

Department's own priorities for use of staff. External consultancies were not easily approved as an alternative.

With the disappearance from each Service of the two-star Board members, each of whom had responsibility for managing the specialised area under his command, new lines of authority from, and accountability to, the Chief of Staff had to be drafted. Some archaisms remained to be eliminated at some stage, such as the Army's persistence with semi-independent regional Commands in state capitals—a hangover from pre-Federation colonial days. The Navy, formerly commanded by its five-member Naval Board, was now to be made unambiguously responsible to the Chief of Staff. I left these matters to the Chief of Defence Force Staff. I later came to recognise that I had made an error of judgement in not scrutinising the systems the Chiefs were setting up, where they involved matters of finance and defence policy and not military command of training and deployment alone.

Various misunderstandings or challenges from the Chiefs had to be cleared up or disposed of. The Chief of Air Staff of the time challenged the concept and practicability of 'two-hatted' arrangements. More importantly, the Chief of Defence Force Staff in 1976 stated his view that, on most matters, senior civilian and Service officers should be responsible to both the Chief of Defence Force Staff and the Secretary. This view was unacceptable because the Government had approved my concept that such civilians would remain responsible to their Public Service head, but 'responsive' to the Chief of Defence Force Staff. Conversely, it had been agreed that Service officers under command would be 'responsive' to the Secretary on matters within his responsibilities. Neither Service command of Public Servants or civilian command of Service officers would apply except by specific assignment, and then would not extend to discipline or conditions of service. With the passage of time, working arrangements between the two joint administrators reduced frictions and worked in the way that I expected and have described in the previous chapter. In order to become aware of causes of dissatisfaction with Public Service attitudes, I arranged to make a call periodically on each Chief for frank discussion of any such problems.

As one Chief of Defence Force Staff succeeded another, I came to believe that there was some reluctance on the part of the occupant of this office to overrule the Chiefs of the two Services to which he did not belong. I can only speculate about the attitude of mind behind this. I do recall that during the high-level committee consultations on the five-year programme involving the Chiefs over which I presided during the 1970s, it was often a senior civilian adviser rather than a Chief of Staff who initiated a critical analysis requiring rejection of another Chief of Staff's proposal. There was one exception—maritime aviation was a

subject where such inhibitions vanished, as the historic rivalry between the Air Force and the Navy lit up meetings.

The Chief of Defence Force Staff had a rather small staff, yet there was no obstacle to his appointing more senior people to support the exercise of command over the Services, calling a Service to account to him where justified. In later years, looking on as an observer outside Defence, I have noted the use by Chief of Defence Force Staff (now Chief of the Defence Force) of the power of command to bring about substantial changes in Service Commands. Some of these ideas existed in the 1970s but were not put into practice.

Public perceptions in the politics of Defence

I did not expect that proposals from the Services for weapons better related to Australia's strategic environment, along with the necessary policy decisions, would be achieved quickly. Changes in organisation do not of themselves change policies or underlying attitudes. They are intended to work towards the right policies. But in the public discussion in Parliament, and by the so-called defence correspondents in the media, the purpose of change was largely neglected. Instead, attention was paid to the more emotion-stirring and newsworthy aspects: whether one of the Services was to have a favoured weapons system denied, whether civilians had come out winners in some debate and so forth.

A central requirement remained—to ensure that each Service was preparing for the same wars at the same time and in the same place, as Malcolm Fraser had put it back in 1970. Embedded attitudes, old rivalries and aspirations might take another decade or more to change.

Would the electorate, upon which Ministers depended for survival, also adjust? Unlike most areas of Commonwealth Government activity, defence and foreign policy have a constituency which is founded not so much on material and definable interests as on memories, inherited convictions about friends and likely enemies, along with associated fears and attachments, and some historical myths. Some memories and old faiths lose relevance because of radical change in weapons and surveillance technology; or because Australia's geopolitical environment has changed in directions not shared by the countries who have been our familiar friends and allies. But, on my observation of politics at work, it becomes difficult—particularly on the conservative side of politics—to change defence priorities rooted in the past. Old and respected images, like that of the underpaid self-sacrificing volunteer digger of the First World War, stand in the way of new priorities that make less call today on service to the nation of this kind. But there are public institutions that preserve the past in order to honour it. The leadership of the Services themselves, with proud memories of battle achievements, sometimes find lessons in them which have dubious application to contemporary threats that governments would be likely to accept as justifying

a military response. Our Services excel in their mastery of ever-advancing technologies. It will always be more difficult to ensure their relevance to credible threat contingencies. That involves judgement about the unprovable, and the assembly of intellectual resources going outside the Services for verdicts that are well informed and objective—and not always popular.

Differing views on our strategic interests

A principal interest for me was whether the Coalition intended to resurrect 'forward defence' as the strategic basis for developing changes in the force structure and, if so, in what direction we would be expected to look for future potential deployments.

I had chanced my arm in an address to a Summer School at my old University of Western Australia in January 1976. I had then argued that we should distinguish between outbreaks of violence abroad that could not be called a 'threat' (that activating word) to the physical security of Australia, and any events that did; and, as to the latter, countries with the maritime capability to attack Australia were very few, and that we would have adequate warning time.

Ideas similar to this were included in a White Paper which we drafted, with Pritchett making a major contribution, and which Killen issued in his first year in November 1976. Killen recognised publicly that Britain would no longer count as a military power East of Suez, while at the same time paying a tribute to the protection which historically Britain had offered Australia.

The Paper pointed to our limited ability to operate in distant places, and to the requirement for successful defence in areas closer to home. For this we needed a force capable of expansion, with a substantial capability of operating independently of allies. I believed we were making progress in two respects: realism about the limits of our capabilities, and abandonment of the earlier public position that a policy of greater self-reliance would throw in doubt the faith, necessary to preserve publicly in the conservative view, that the Americans would bring combat support under ANZUS if Australia needed it.

At much the same time, both the Prime Minister and Foreign Minister Andrew Peacock were speaking of the dangers in the Indian Ocean from the developing Soviet presence and the disappearance of the old power balance. Peacock also pointed to the Soviet Union's achievement of nuclear parity with the United States. When the Prime Minister began publicly defining the threats against which Australia should prepare, I doubt that he was much influenced by the Defence Department's focus on where we believed our essential interests lay (along with its realistic view of our capability of serving them). I did not know whether Fraser consulted Killen, but the content of Fraser's statements confirmed that the Prime Minister was little influenced by the argument in the White Paper

that Australia's concern should be restricted to any threats developing in Australia's geographic neighbourhood.

In 1976 Fraser made a number of visits overseas, presumably wanting to convey a policy outlook different from that of his much travelled predecessor. In July he visited Japan and China. His report spoke optimistically of the prospect of a better understanding with China, while expressing apprehension about the build-up of Soviet military strength. He declared it was a concern of Australia that no power would dominate either the Indian Ocean or Southeast Asia.

This focus was different from the Defence Department's concern with our immediate archipelagic North and with the constraints on our capability to deploy beyond our shores. Our difficulty in supporting physically our modest deployment in Vietnam made the point. Stores and maintenance facilities were concentrated in the South of the continent. Means of transport were limited. The constraint was also political: electoral resistance to providing manpower by conscription until a crisis situation was recognised, by which time adequate training might not be feasible.

Yet, in the face of these predictable handicaps, our political leaders have sometimes had a yearning to create an Australia somewhat larger than life and to make political commitments that would be difficult to live up to militarily—whether in Commonwealth Heads of Government meetings or in communiqués with leaders of countries visited. Political and moral exhortation is one thing; being prepared to take military action is quite another. There was a welcome note of self-reliance in Fraser's omission of ritualistic statements of our dependency on the content of the ANZUS Treaty. But he was consistent in his convictions about Australian activism. When Defence Minister six years earlier, in the first declaration of his outlook towards Southeast Asia and the surrounding Pacific and Indian Oceans, he had said: 'If that environment is going to change we want to be able to play a meaningful part in the change.'

In 1976 and 1977 he was reiterating a long-held distrust of Soviet intentions. When later the Soviet Union invaded Afghanistan and enlarged its Indian Ocean naval presence, his reaction was to acquire an aircraft carrier with blue-water capabilities, accepting the claim that such vessels make on financial resources for the escort protection they provide.[1]

Offering defence commitments beyond the military capacity to meet them is not new in the world. British diplomacy has long practised it. For Australia a similar diplomacy or yearning for an international role carries the risk of being left exposed, because an imprudent deployment is not easy to reverse without a price. Deployment abroad engenders national pride. But withdrawal, if made necessary in the face of danger because of being left without allied support, would have the opposite effect and becomes difficult for any government.

I had earlier seen a risk of this kind in the continued retention of the Air Force squadrons at Butterworth after the British had withdrawn from the area and our aircraft on the ground were only protected from close-range guerrilla attack by a not yet effective Malayan Army. In 1969 Prime Minister Gorton had said that their retention made it easier to deploy other units if the need arose, which begged the question whether this vulnerable deployment had strategic value for Australia. My view did not prevail. The withdrawal was made years later.

Fraser was using new people to advise him, particularly on the global threats from the Soviets. In respect of the Indian Ocean as a source of threats, statements by Peacock provided perspective, reminding us of the vast oceanic distance separating the Soviet base in Berbera from Western Australia. It seemed to me, however, that Australia had a more credible interest in the choke points in our archipelagic North than in more distant Soviet locations.

President Carter and the Indian Ocean

The Indian Ocean came under discussion in mid-1977 when Malcolm Fraser made his first call on US President Jimmy Carter. By then the Americans had advocated that they and the Soviets accept a limitation on their respective presences in the Indian Ocean, maintaining a balance but at the lowest practicable level. Australia supported the idea. I do not recall whether there was any Soviet response. At the same time, the Soviet Union was waging a diplomatic offensive by developing its SS-20 medium-range missile capability against North Atlantic Treaty Organization positions in Europe, while simultaneously proclaiming the virtues of a détente in East-West relations which was attracting some support in world opinion.

Later during the 1990s high Russian officials of that earlier period admitted to television interviewers that détente had the specific intention of attracting public opinion, particularly in France, away from support for the American deployments in Europe. One official ruefully admitted lack of coordination with this political propaganda, in as much as the military industry sector chose this time to make the threatening deployment of the SS-20.

I thought it one of Carter's woollier foreign policy forays, when he expounded the idea of making the Indian Ocean a demilitarised zone. Hearing him advocate this to Malcolm Fraser as an appeal to world opinion to offset the advantage of the Soviet case for détente, it occurred to me that the President had chosen for the experiment in disarmament the most distant location from his own territory.

In the diplomatic discussions it had been recognised that demilitarisation confined to the Indian Ocean did not address the potential for a build-up of aggressive air capabilities on the littoral to the Ocean. Pentagon officials began to espouse the idea of an agreement to prevent superpower forces from being

so deployed. Australia was one of the littoral states potentially affected. I had discussions with the Pentagon (and, as it proved necessary, with our own Foreign Affairs Department), explaining the impracticability of the idea. I sent Pritchett (who was later to succeed me as Secretary) to explain Australian defence interests. In formulating the Department's attitude I pointed out to our Foreign Affairs Department what the domestic political consequences might be if, in a Senate election, the voters of Western Australia were told of an agreement that forbade the Americans deploying, in an emergency, on their exposed coastline while Queenslanders suffered no impediment to the return of the Americans to their State.

Détente continued to gather some support in the foreign offices of the world and among peace-loving people. I cannot claim to have discerned at the time how specifically it was aimed at destabilising support in France for the American presence in Europe. But in discussions in Canberra I did warn against allowing détente to become the kind of defence soporific that the Soviet Union intended it to be.

As is well recognised, Carter imported judgements about morality into his foreign policy. We had a direct experience of his personal devotion to practising his religion: we waived diplomatic immunity to allow his Secret Service access to the Australian Embassy Chancery rooftop to protect him on Sundays while Carter worshipped in the Baptist Church adjoining our building.

Inflation: Its consequences for Defence in the 1970s

Much of the Department's activity under Killen and the new Coalition Government from 1976 onwards was aimed at bringing to fruition the reforms initiated by its predecessor, and fighting for funds predicated in the ongoing Five Year Defence Programme. The programme under Labor had substantially moved towards a greater share for capital equipment and capital works on bases and fixed installations around the continent.

The days of Ministerially directed reforms were behind us. One reform whose origins preceded the Whitlam Government was the programming system now embedded in the management of the Services and of the activities of the Department. But its methods, and the priorities it recommended for Ministerial incorporation in his approved programme, continued to be challenged by Services whose equipment or manpower bids were reduced or denied under the discipline of the system. In addition, new strains were imposed on the system from the fiscal controllers in the Government as it began to address what threatened to become dangerous inflation. The Consumer Price Index, a standard measure of inflation, grew by 9.3 per cent in 1977 and tight fiscal measures still left it at a high growth of 7.8 per cent in 1978. A practical consequence of this, affecting me and others, was to spend very much time in conference with the Chiefs

revising, reprogramming and debating where the axe should fall—time which could otherwise have been spent in addressing deficiencies in various parts of the sprawling Defence empire.

Moreover, I would surmise that this frequent recasting of plans, necessitated by the unwillingness of Ministers to provide budget funds at the level previously approved for planning purposes, fed into doubts about the legitimacy of the system. With a receptive audience among those backbenchers with a Service background, scapegoats could be found—particularly the role of civilians in assessing and disputing plans for their part of the total force structure put forward separately by each of the three Services.

Before long we also began to experience the Fraser style of directing the business of government, and the extent to which he subjected his Ministers and their officials to an inquisition as to what they were doing, and as to the validity of the policies they were recommending to Cabinet. In the main, the Defence Department and its Minister got off lightly, apart from cuts in expenditure aggregates, until the 1978–79 budget. I do not recall any Prime Ministerial intervention in the shaping of the force structure (this was, as I understand it, to change later when, after retirement, I was no longer privy to what went on). Fraser was directing his enormous energy, and his demands on others, to reforming the machinery of government and to meeting the economic and social problems of Australia. We nevertheless felt the backwash of his demands for re-examination of advice, and for a response to demands for information under short and sometimes unreasonable timetables. Some Parliamentary Committees noticeably began treating public servants more peremptorily than had been customary. The style was catching.

Towards the end of 1976 I used a session of the Minister's new Defence Council to tell him that unreasonable strains were being imposed on both civilian and Service officers from the expenditure controllers of Cabinet in the campaign against inflation, and to request his intervention. We had particular problems when Cabinet demands began to be directed at designated expenditure activities without an understanding of the consequences. I believed that some had more to do with pandering to popular prejudice than with achieving rational economies. Cuts imposed on travel expenditure were such a case. Rather than preventing suspected high-living in luxury hotels, the cuts impacted more on the ability to send Servicemen to places where they could train with others in suitable formations, or on the ability of auditors to travel to the remote areas where expenditure delegations were exercised and waste might occur. But we had limited success in getting a hearing.

Beyond these irrationalities on particulars, Defence had eventually to accept a reduction of previously approved programmes *in toto*. In explaining to Parliament the 1978–79 Defence appropriation, Killen was obliged to explain

that budget stringency had forced the rescheduling or modification of acquisitions planned in the White Paper two years earlier. He was nevertheless able to point to the transition of the Services to the new technologies of missiles and sensors which had particular value for a country where manpower was limited and had vast areas requiring protection. It was particularly satisfying to the Department that he linked the acquisition of some specified equipment to the requirements for operations in Australia's near neighbourhood—the focus we were advocating. He spoke of patrol boats with an improved sea-keeping capacity for deployment off-shore, and of the stipulation that contenders for the major fighter replacement should have an air-to-surface capability against hostile shipping in the approaches to Australia.

In making his March 1979 statement to Parliament, Killen accepted the Department's advice to marry an emphasis on ability to defend ourselves against credible threats to our own soil with, as he put it, 'the practical option of contributing to Pacific defence in accordance with the ANZUS treaty'. As to the first, he said that our allies could be expected to look to Australia 'to be reasonably self-reliant, and to make a maximum effort to look after its own security'. For me this was a satisfying recognition by a Minister of a conservative government of the outlook given shape by the earlier Labor Administration. Since he was at the same time announcing reduced expenditure targets, Killen went to some lengths to explain that few powers possessed the capability of overwhelming our sea and air forces at the end of a long logistic line, and that most of them are friends and allies.[2] Lesser regional powers did not possess the capability to succeed; and, were they to set out to develop it over time, the intention would be blindingly obvious to us.

In later years, under a succeeding Labor Government, this view of ample warning time came to be challenged as being over-sanguine about the strength of potential local threats. But I saw a cause for satisfaction in that, subject to the ebb and flow of simplistic political rhetoric, there emerged at last a consensus that Australia should make defence of its own territory the first duty of a self-respecting nation without looking first to others.

Differences with the Royal Commission on Intelligence

Early in 1977 Mr Justice Hope began to issue his findings and his opinions on organisation. His Second Report made findings on security checking and a security appeals tribunal—matters involving the balance between individual rights and care for national security. As an administrator I welcomed the clear judicial definition of where responsibility lay, a matter which had troubled me in respect of some cases that arose in my dealings from External Affairs with the Australian Security Intelligence Organisation almost 20 years earlier.[3] The Judge's recommendations cleared away a fog of uncertainty on these matters.

His Third Report was of a totally different character, reflecting the mixed bag of subjects given him by the Whitlam Government. It dealt with the machinery for the official control, direction and coordination of Australia's Intelligence Services (all of them concerned with Australia's interests internationally). As one finally responsible for the administration and funding of several of the Services, I was deeply interested in the Judge's opinions.

I saw no reason then, nor do I now, to treat them as judicial findings, based on evidence and the application of the law. The rights of individuals were not involved. Some laws were relevant (such as accurate use of appropriations) but only marginally to what was a complex administrative matter requiring judgement of how Ministers and officials operated, how they used the system, and how, on the basis of reliable administrative experience, they might operate in future. Working habits could in practice be more important than strictures as to how Ministers and officials ought to use intelligence.

I thought some of the Judge's ideas on these aspects to be inept and his proposed structures (with one important exception) misguided and faulty. As to intelligence-gathering from covert sources, I had long held the view that more information was being fed into the system than would be used by a power possessing interests and influence internationally as limited as those of Australia in peacetime. We had inherited from the Second World War a large and generally efficient collection system, working in collaboration with two great powers, equipped to reveal any threat to strategic interests in any part of the world. But in the post-war world, Australia's activities narrowed as we defined for ourselves a regional rather than a global focus. At the same time there remained a need that was intangible, to assist our partners by gathering information that was of use to them by way of reciprocity for what they provided to us. My opinion on putting limits to our efforts had to be qualified by this consideration. Limits could only be a matter of judgement. The Judge did not share my doubts. His reports called for more and not less intelligence-gathering.

What was needed, in my opinion, was an understanding of how Departments and Ministers and Services operated in Canberra in practice, as distinct from theoretical ideas founded in a constitutional view of the role of Ministers. There is an attraction towards creating new administrative machinery to satisfy requirements that owe more to theoretical pre-conceptions than to hard-nosed prediction of actual usage.

As to control of the covert agencies, there had always been the problem of how to arrange a chain of accountability to someone accountable in turn to Parliament. One agency was responsible ultimately to the Department of Defence while the other (with an undeclared source of funds) was under the general policy direction of the Minister for Foreign Affairs.[4]

For the system of interpreting and issuing assessments on the material provided by the gatherers, there was the opposite problem. To which single Minister should they be accountable? The existing organisation was the product of the Fairhall/Bland administration. The Minister for Defence was accountable through his funding of the National Intelligence Committee and its staff, while the Minister for Foreign Affairs could make demands on the body for priority reports through his Department's representation on a supervising National Assessment Committee. The two principal customers thus had their interests satisfied.

This conclusion necessarily had to be reviewed by the Judge when he took the didactic view that other Ministers and Departments ought to make use of intelligence reports on economic and commercial subjects. The system of control would have to accommodate them.

I thought his basic assumption to be wrong, having long observed, and heard, the preference of leaders of the economic Departments to rely on their own overt sources and contacts abroad. As to Ministers, their long periods of absence far from Canberra, their working habits when spending four days in Canberra, and the competing claims on their time made it extremely unlikely that reading intelligence reports would claim their attention except on rare occasions.

The Defence and Foreign Affairs Ministers were different. The existing system satisfied both Departments. It had replaced an earlier ponderous Committee system based on British practice with which I had had difficulties in External Affairs 20 years earlier. It had provided little aid to policy decisions because of an inability to keep time with the need for a prompt response to, sometimes public, international developments. The current Joint Intelligence Organisation/National Intelligence Committee system had the further advantage of having qualified staff with proximity to their policy customers able to task them with explanations of what they were interested in—thus avoiding the ever-present risk of the intelligence community cocooning itself in a world satisfying its own interests.

As I shall suggest, the Judge's alternative system failed some of these tests of suitability as far as the Defence Department was concerned. In one respect his recommended system had the virtue of breaking away from overseas precedents by devising a system to meet Australian needs. But I believe there was probably a lack of understanding of the differences in the focus of assessments needed in the conduct of foreign affairs and those needed for decisions in the Defence system. Foreign Ministers and Departments are expected to respond promptly (and not lag behind the media) to new events and situations abroad. When there is no crisis of a security kind directly affecting Australia, the Defence system is more likely to need assessments looking to the longer-term future. The process does not demand a Ministerial response. He needs to know

that the subject is being worked on for incorporation in later decisions. Emphasis on the longer range derives from the criteria for weapons procurement and training in their use. All require best estimates, at decision time, of the nature of military threat and of the most effective response 10 or even 20 years hence—such is the lead-time, and the time in service, of what is procured or trained for.

The Defence system therefore must have confidence that those making the assessments which will underlie decisions on force structure bring to bear expert knowledge, a reputation for balanced judgement, and an understanding of what studies will be relevant to shaping the force structure. In making his recommendation that 'the greater part of the Joint Intelligence Organisation be transferred to the administration of the Department of Prime Minister and Cabinet', the Judge failed to acknowledge these requirements. His suggestion that an officer of one of the Services be seconded to the new organisation indicated his lack of understanding of the need of the Services to be associated in the way I have indicated. A single Service officer divorced (physically and organisationally) from the Defence system would be a piece of ineffective tokenism.

In December 1976, Killen criticised in Cabinet the proposed demolition of the Joint Intelligence Organisation. Cabinet charged a Committee of senior executives with recommending a way of effecting sensibly the broad purpose of a central assessing and evaluation body responsible to the Prime Minister, without endorsing specifically any part of the Hope Report. I made my objections and criticisms known and this prompted the Prime Minister early in the 1977 New Year to telephone me from Nareen.[5] He directed that we meet shortly to discuss our differences on how to reform the assessing organisation, saying he was not wedded to any particular solution.

Nevertheless, as Cabinet had already decided to create new machinery, in the several meetings that I had with Fraser I could only argue the case for retention of an effective Joint Intelligence Organisation and suggest the restraints needed on this new creation. We met on one occasion for two hours. As to the first, I explained the futility of the idea of satisfying the military and defence requirements of a broad spectrum of intelligence for weapons procurement, as well as military operations, by seconding a single Service officer to this new body. I said that if that body was to enter these fields, the Prime Minister might have to explain publicly why the Chiefs and their supporting Department should rely on the priority given them, and the judgements made by people they had no part in appointing, had probably never heard of, and who were accountable to a different Minister. I also said that my earlier experience made me sceptical of the Judge's expectation of useful commercial information from clandestine sources.

I said there would be a danger of empire-building unless a ceiling was put on staffing, and the numbers of quality people available were few. I suggested 50 or 60 would be adequate. A Joint Intelligence Organisation with functions reduced, but recognised as serving diverse Defence needs, would cooperate with the new body that he wanted.

In what followed these views appear to have prevailed. The Office of National Assessments was kept to the functions and staffing limits that I advocated. During my remaining years at Defence, the two organisations developed cooperative relations including sharing of secure premises. In later years I heard suggestions that the Office of National Assessments was occupied more with distributing assessments of current events affecting Australia, as against the longer-range view of potentialities needed by Defence. This I believe to be more demanding on the quality of assessors because it depends on sound judgement as much as reliable information.

Experiences serving Malcolm Fraser

There were various occasions abroad, not all concerned with Defence policy, when the Prime Minister required me to accompany him. His activities abroad went beyond matters of strategy and the increasing military build-up by the Russians. His Government took the view that Australia's resources of uranium, at a time of growing dependence on electricity generation from nuclear plants, gave us a bargaining counter. Thus armed, Malcolm Fraser decided to tackle the European Economic Commission over its restrictions and subsidies that were hurting Australia. He first visited governments in France and Germany. Although defence matters were not on the agenda, save for a call on the Supreme Allied Commander Europe (General Alexander Haig—later US Secretary of State), I was included in a party of officials, headed by Fraser's 'can-do' Departmental Secretary (Alan Carmody, a former trade official). In an atmosphere of frantic activity, serving the Prime Minister's demands for up-to-date briefings, this was a visit to Europe like no other. In each capital we saw little beyond the walls of hotel rooms where the team wrote papers at night, not on the country outside but on the one about to be visited next morning. In Brussels I was given a seat at the table of a European Economic Commission meeting headed by the President (Britain's Roy Jenkins) and listened to our Prime Minister wade into the Commission (on subjects for which I had no current responsibility). There was much agitation on the part of several Commissioners. It was not my function to ascertain when back in Australia what results ensued. I came away with the distinct impression that Fraser's brusque diplomatic methods in a formal European environment might have been more likely to shock than to persuade.

Back in Canberra, there was not much reason for the Defence Secretary to see the Prime Minister direct. We had had that close association in 1971 and 1972, at a time when he had few confidants and when he needed to talk while

he was weighing up whether his dissatisfaction with Gorton should cause him to resign. I have reason to believe that he then trusted me, and some public references to me in later years bear that out. But I did not seek to take advantage by asking to see him when he was Prime Minister. One Minister urged me, as a person he believed the Prime Minister would listen to, to tell him of the discontent among Ministers with the demands he was making on them by taking so much business into Cabinet for them to be grilled in lengthy meetings.[6] Since the way the Prime Minister managed his Cabinet was none of my business, I took no action on the matter.

In 1976 Fraser called me in to express concern about what he thought to be a loss of respect in the Public Service for political impartiality. There were leakages to the Opposition and media of classified documents. This was a time when he was demanding high standards of propriety among his Ministers (and some lost office for various reasons). Over lunch for the two of us in the Cabinet ante-room, he asked me to accept appointment as Chairman of the Public Service Board on the retirement of the incumbent Sir Alan Cooley, apparently believing I could guide the Service back to its traditional standards. In a second meeting I asked him not to pursue the idea. I said I doubted whether I had the necessary good temper for negotiating with the unions over the pay demands then in process (he seemed amused and unimpressed by this). But, more important, I wanted after some years of strain to keep open the option of early retirement, which was an option I would have to forgo in order to do justice to such an appointment. He was understanding. I expressed support for the appointment of Sir Keith Shann, one of our most able Foreign Affairs officers, when his name came under consideration.

Fraser confirmed his confidence in me in various ways despite our infrequent official contact. He had come out in support of me in November 1976 when I was made the target of a smearing claim in the *Bulletin* that the Prime Minister was concerned by the alleged passage of a classified document from Defence to the Russians. The leaked document was one that had in fact been submitted to the previous Government. Fraser testified in the House of Representatives that I had served the Labor Government with, as he put it, 'complete and absolute loyalty', while describing my competence in generous terms—a statement with which Gough Whitlam expressed agreement from the Opposition front bench.[7] I did not look for compliments about my competence, but I was always sensitive to any suggestion of lack of integrity. That attitude was to express itself later when there started a long-running campaign, false and defamatory, suggesting that I had acted, under American persuasion, to warn the Governor-General of the lack of attention to security by his Labor Prime Minister—a subject to which I later return.

There were times during these years when I looked for some relief from the strains of my job. I had never been a good air traveller and suffered from tensions and lack of sleep during so much official travel. I took opportunities for recuperation. On a visit to England I was able to escape from London for a long weekend to stay at the headquarters of a famous trout fishing club (the Houghton) on the River Test. It was too good to be true: mown verges on the stream, no ti-tree to foul the backcast, the river manager to point out which of the abundant trout was worth a cast and which were only two or three pounds and unworthy of the effort. One companion turned out to be a former Secretary of State for the Colonies under an earlier government (a member of the Lords, whose name I do not recall). We talked about some of the African colonies, which he had seen through to independence, and my own experiences in New York when British policy was under attack.

In 1976, early in his term of office, Fraser made the customary call on the US President in Washington (at this time President Gerald Ford, following Richard Nixon's political demise). Fraser and his small party were made guests at Blair House, notable for its comfort and the elegance of its period American furnishings. I was made a guest at an elaborate White House banquet in Fraser's honour attended by a mixed list from officialdom, the stage, and Hollywood. I found myself talking to Gregory Peck about Australia and about the actress Ava Gardner's memorable comment, when making a film of Nevil Shute's *On the Beach*, that the city of Melbourne was a suitable location for a film about the end of the world. Peck said she was very contrite about that, but I authorised him to tell her that, as a Sydney-sider, I entirely agreed.

Having dealt with some intelligence and other defence matters, Fraser set out to discharge an earlier promise by Gough Whitlam to present a cheque for the establishment of a Chair of Australian Studies at Harvard University. Although I had nothing to do with the project, Fraser took me along. After leaving the Carlyle Hotel in New York, where we overnighted, we became aware of a wild storm along the East Coast, which was disrupting planes and generally creating havoc with transport. A notably impatient man, Fraser was not pleased by delays and uncertainties of this kind. We eventually arrived in Boston late after a turbulent flight, and Fraser joined his hosts in a modified programme of which I was not part. Indeed the principal task I was given was to avoid getting separated from the party that would later have to move swiftly for the take-off of Fraser's plane bearing him to Canada. I lunched and had useful conversations with some Harvard academics. I was left with the impression that Harvard did not really need our money, and that a less affluent Ivy League University might have been a better choice. Afterwards I fell asleep in the charming guest-house which had been put at my disposal. Awakened by domestic staff, I was told that the Australian party had long gone on their way to the airport, along with my means of transport. With some help from a student taxi-driver, I made it and

caught up with the Australian party, now stranded and unable to leave while the storm continued.

Drama continued at the otherwise deserted airport. Fraser boarded his aircraft, which then taxied to the centre of the airfield and sat immobilised hoping for clearance. Meanwhile the Australian Ambassador in Washington (Nicholas Parkinson) and I had been given unrestricted use of the Delta Air Lines lounge, bereft of staff or passengers, but agreeably provided with self-serve refreshments which we were urged to accept. One solitary stranded passenger eventually appeared—an inebriated man yearning to return to his wife in Florida whom, as he told us many times, he loved very much. Into this touching scene came an airport official conveying a message from the aircraft captain that our incarcerated Prime Minister was now demanding to be let out, and that he now intended to fly back to Washington. There was dismay in his Ambassador's face. But after further time elapsed Fraser did take off for Canada. Now relieved from further duty, Parkinson and I resumed our enjoyment of the available hospitality. A considerable time later a rescheduled flight was given a clearance and Parkinson and I were able to return to more sobering official talks in Washington.

A refuge in the mountains

Early in the 1970s I acquired a property among the mountains in the Yaouk Valley. It was to give me a river, which was its western boundary, for trout fishing, a longstanding passion. It was also to provide an escape at weekends from the demands of someone who has figured in this narrative (and remains a friend to the present day)—the then Defence Minister, Malcolm Fraser. Progressing from primitive camping expeditions, using hazardous tracks in bad mountain weather, we erected a durable log cabin with facilities. It was delivered to the site in a 'knocked-down' condition, despite numerous obstacles, by an intrepid local carrier. Thereafter its erection was undertaken by family, friends and a remarkable local, German-born carpenter. We laid the concrete base on a hurried weekend visit from Russell. My daughter carted gravel, others tended a diesel-driven concrete mixer, my wife shared the smoothing and finishing of the concrete, while I carted water. My carpenter later completed the roofing and the interior, assisted by more weekend visits by me. When working alone, he reached the site by crossing the river in an old vehicle that I left permanently parked by the river for his use. When the river was impassable for a vehicle, he removed his boots, forded the river and made his way on foot. I raised a large granite fireplace and chimney to provide a sole source of heating. Various civilised amenities were later added.

Relevant to this story of my Defence associations, I was now able to invite overseas visitors, such as New Zealand's military Chiefs and Britain's Permanent Under-Secretary of the Ministry of Defence, Sir 'Ned' Dunnett, for fishing excursions. Likewise my Chiefs of Staff colleagues came from Canberra on day

visits, and when General Sir Francis Hassett had a minor breakdown in health I cared for him there over several days of a holiday period.

Once beyond the ranges separating the Australian Capital Territory and the Yaouk Valley, rank and orders of precedence dissolve. Personalities with rank, when encountered by the locals, are judged on local terms. I saw this lesson learned by the then Chief of Naval Staff, Vice Admiral Sir David Stevenson, who was berated by a fierce woman on horseback for closing a gate through which she was mustering cattle on their way to her property adjoining mine. On another occasion it was appropriate in local terms that I remained seated in my vehicle while my passenger, General Sir Arthur MacDonald, dealt with gates and waded waist-deep in a swollen rivulet, replacing sleepers in a washed-out culvert, when he came to spend a day in the country. My genial road makers, who often came with their bulldozers, liked to address their city-bound employer and his wife as 'young Arthur and young Mrs Arthur'.

Later in the 1970s, when the incumbent Governor-General—first Sir Paul Hasluck and later Sir Ninian Stephen—came to escape the formalities of Yarralumla, I telephoned neighbours to ask that these dignitaries not be obstructed in any way *en route* through their properties. None objected and I sensed that they did not see the point of the request. There was a potentially more serious obstacle when Malcolm Fraser with his security guard came to visit to fish in the late 1970s. I rang around similarly. I informed a down-stream neighbour that I intended to put the Prime Minister on the river on the property between us, the owner of which I knew was away but who was sure to approve. But the neighbour I consulted was on guard, having promised to eject intruding fishermen. He was unmoved by my protest that the Prime Minister of the nation was entitled to some deference. More out of consideration of me as a neighbour than of the visitor, he proposed a somewhat Irish solution: 'All right! Just tell him to keep his head down so I can't see him near my place'. Given Fraser's great height this was a bizarre request that I thought it best not to pass on to him.

The ability to escape to 'Koonaroo' was not irrelevant to my being willing to carry on at Russell. Persistent resistance to reforms and sniping from Coalition backbenchers against civilians in the Defence Department caused me bouts of nervous tension from which I needed relief.

Despite the absence of a telephone, I could always be reached with some ingenuity. As recorded earlier, when Cyclone *Tracy* struck Darwin in 1974 a neighbour was roused by telephone and shouted across the river over the noise of the rapids that I was to interrupt my holiday and return to Canberra.

Years later, when Chinese forces crossed the border into Vietnam, Fraser demanded my presence at a meeting to be held in the Cabinet room on a Sunday to assess the situation. While my wife and I were clearing obstacles along a track

through the mountain at the back of Koonaroo, we were startled by the sudden appearance of a police car. Fraser, never to be denied, had ordered that the Cooma police be sent out to bring me in. After a circuitous consultation by the Constable's two-way radio via Cooma as to how long it would take me to drive back to Canberra, compared with the despatch of an Air Force helicopter to try to find my property, return by air was decided on. My wife was left to make her way to Canberra by 4WD while I answered the Prime Minister's call and attended the Parliament House meeting. It was an occasion when some hosing down proved desirable. I was able to support our Joint Intelligence Organisation analyst (Brigadier John Baker, in later years to become a much respected Chief of the Defence Force)[8] in arguing that a full-scale invasion was unlikely and that the Chinese move should be treated as a blunt warning to the Vietnamese. Subsequent events supported this judgement.

I turn now to some selected areas of reform that were different from questions of strategy and the administration of the three Services. They were the application of science and of advanced education, each in its own way vital aids to a modern fighting force.

The Defence Science Laboratories: Management

Although the defence science laboratories had been brought into the Department, in the 1974 reorganisation neither their status nor control had been satisfactorily dealt with.

There were inherent problems, some arising from geographic dispersion and others from confusion as to whom they were serving. Moreover, the interests of the scientists themselves had to be considered. There was a feeling among some that they failed to receive the acknowledgement from the rest of the scientific community that their achievements deserved because, unlike others, they did not publish papers open to appraisal. Defence security precluded publication of work they were doing on electronics and its application to offensive and defensive weapons, sensors, methods of surveillance and much else. Moreover, their interaction with American and British work in the defence field required strict precautions against unauthorised disclosures. Sympathetic leadership was needed, not merely discipline over their use of defence resources. An objective basis on which to determine what research should be expanded, and what curtailed or terminated, was often hard to find and open to argument. There was the familiar contest between pure research and the application of science to definable outcomes serving defence.

In respect of staff originally deployed at Woomera and in Salisbury to support the British ballistic missile programme, now abandoned, we worked out a programme of retrenchment and transfers only to be frustrated by some timidity at the political level. It was further experience of the curbs that existed in those

days on the managerial freedom of a departmental Secretary—lacking power to recruit or retrench or promote or transfer without the concurrence of some external authority.

Farrands brought life and energy into the office of Chief Defence Scientist. He contributed to policy advising in Canberra and I believe he enjoyed respect in the laboratories around Australia for his leadership.

In 1977 I took a closer look at the system. This coincided with Farrands' appointment to head the Department of Science and my appointment of a replacement. He was Professor Tom Fink, Dean of the Engineering Faculty of the University of New South Wales. Fink had a proven record in the application of engineering to the solution of marine propulsion and other areas. I took advice and preferred him over a scientist chosen from the laboratories, while believing that there were some younger men who would be eligible in time (as later proved to be the case).

During visits to some of the laboratories I detected a preference, apart from that for the pure research conducted in some, for serving requests from the Services for aid in problem-solving such as curing defects, or extending the life of equipment. But the Department itself needed advice of a different kind, such as on current acquisition projects, and was not sufficiently in control of priorities in the laboratories. This was a hangover from their former attachment to the Supply Department, with its attitude of independence from the Department of Defence. The urge for independence surfaced in the hopes of some scientists to become part of a statutory body, presumably to decide its own priorities. But to be separated from the users of scientific advice would be a rejection of their *raison d'être* and fatal. It had no support from me.

Management called for judgement on other aspects. There was the familiar tension between claims for pure research and the application of proven knowledge to practical use, in which the former was at risk of losing out in the competition for staff and funding.

In 1979, when the Government decided that all government science should be reviewed, two Defence inquiries were initiated into activities in science and technology. One was an externally directed study to establish the level of scientific quality of this Defence activity; the other was a review by the Department of the utility to it of the resources being devoted to this area. Following these reviews, the entire staff was embraced into the Defence Science and Technology Organisation, within the Department but with its own sense of corporate cohesion.

Members of this Organisation contributed, in ways of which the public could not be aware, to the possession by the Defence Force of equipment tailored to

the distances, air and sea temperatures and other physical features, many of them unique, of the continent and its surrounding oceans and air space.

Planning the Defence Force Academy: Obstacles

I earlier described the origins of the concept of a single tertiary-level institution for educating selected cadets from all three Services. For a decade I pursued the objective with determination because of a strong conviction of the need that I have described earlier for more tertiary-educated officers. On more than one occasion when addressing assembled officers, I said that civilians like me were needed for our experience in government policy matters, but that the way was open for us to be displaced by uniformed officers as and when they satisfied Ministers that they had an adequate understanding of the theory and principle of democratic government administration over and above the professional skills of their Service.

I also had a belief that joint operations between Service personnel in combat would be helped by recall of camaraderie and joint endeavours of officers during cadet years. I was influenced in this belief by discussions in New Delhi with Indian officers engaged in the 1965 war with Pakistan, who told of the ease of informal communication during the crisis between those of different uniforms who had lived and studied together.

Existing educational standards among officers nominated for policy positions, or for overseas courses of study such as the Imperial Defence College, were, in my opinion, seldom high enough. The deficiency was compounded by Service practices of various kinds. The accolade of being a 'graduate' was conferred too loosely after attendance at a course of seminars without examination. There was a recurring confusion between training and education—between learning how to do things (often technologically complex) and reasoning about objectives and consequences and the fundamentals of society.

Apart from the engineers in the three Services, the number of graduates was low. But to increase the number by requiring attendance at a new single institution met one obstacle after another. Some difficulties described were real; others sprang from scepticism about the advantages of liberal education at a high level, or from an unwillingness to disturb existing arrangements with some Universities in certain disciplines.

In responding to these objections I had to acknowledge the strong and respected tradition of the Army's Duntroon. I did not think it profitable to advocate with the Chiefs the need for a system of dissipating the loyalty of their tribesmen towards them in favour of a sense of belonging to a single Defence Force.

All three Chiefs wanted assurance that their cadets would remain in an environment in which essential disciplines were enforceable as to conduct and

decorum and respect for authority, as well as producing the physical training to test adequacy for the rigours of combat.

There was also the practical problem of how best to relate the educational curriculum to concurrent initial Service training appropriate to the aspiring sailor, soldier or airman. For the Air Force, there was the particular problem of when to undertake flying training and how to programme that unique training in with a normal University-level curriculum. Flying training taken only at the beginning of a three- or four-year course was unacceptable because the skill would be lost by the time the cadet graduated.

The Chiefs stressed the all-important requirement of leadership being inculcated. During one session with them they began to question what the curriculum of academic studies would be. We were not presumptuous enough to believe that we, rather than academics, would decide the detail, but I agreed that the question was a valid one, up to a point. When 'man management' was suggested, I said I doubted if this was a tertiary subject and said 'what about philosophy—it gets you asking questions'. The ensuring silence implied that I had made a poor joke. The Air Force wanted primarily engineering and science. I tried to steer them towards making room for their cadets to have their minds open to the humanities.

These questions were matters of policy, in my opinion, and not to be left to the academics' views of their responsibility to this unique cadre of students, however much they might (and did) talk about freedom from interference on academic matters. I was in yet another minefield of professional egos. On a learning visit of my own to the Faculty of Military Studies at Duntroon, I learned from some academics that I belonged to a breed called 'bureaucrats'.

I accepted the Service view that, apart from some unavoidable use on cost grounds of civilian academic courses in some specialisations (such as engineering), joining the campus of one of the major Universities, with the cadets housed in some sort of barracks, would not provide the required disciplined environment. When I suggested that there could be advantages in broadening contact with ideas developing in the civilian world, and other financial advantages, if a quota of civilian students were enrolled in the new institution, one of the Chiefs growled: 'long hair and thongs!' I did not press the point. This was the 1970s, with the libertarian 1960s still fresh in mind. Slowly we found solutions that matched Service needs to an academic environment, and also wore down outright opposition from some quarters.

But then we encountered the resistance from outside. It came from some Universities and some vice-chancellors. When the Fraser Government announced its intention to give the institution the status of a University named after the distinguished Richard Gardiner Casey, the vice-chancellors started to revolt. The Vice-Chancellor of The Australian National University, Professor Anthony

Low, came to see me several times to warn me of the likelihood that his colleagues would be sparing in their cooperation. There were doubts about matters of scholarly independence in a military based institution, and so forth. I entertained the thought that other motives might be at work. Was there room for a new rival in Canberra? Would The Australian National University continue to be denied an engineering faculty while the new institution would have a well-endowed one? While unspoken, these motives might be there. When, in the event, the idea of a separate stand-alone institution was given up, the opposition of the vice-chancellors was largely dispelled.

While Labor was in office, a Defence Force Academy Council was set up under a former Vice-Chancellor of the University of Adelaide, Professor Sir Henry Basten, to plan the institution, using various studies of likely student numbers from each Service and the preferred faculties. Estimates of numbers had to be speculative. Some excessive predictions of numbers with the necessary level of secondary achievement might have been prompted by Service self-esteem.

With Malcolm Fraser now Prime Minister, we had hopes of progress. But it was first going to be necessary to sell the idea to Killen. He in turn would have the obstacle of that group of backbenchers who made common cause with the dogged opponents in the Services to the changes in education and institutions that would be involved.

Nevertheless, we got to the stage of site development, and engaged the National Capital Planning Authority in our projects. I had good support from my colleague and friend, General Sir Arthur MacDonald. I enjoyed his candour about the limitations of civilian advisers. When I suggested on an earlier occasion that some operational activity could be performed at less cost by civilians he had remarked, memorably: 'Two or three civilians can perform a task, but have more than that and you get a rabble.' I was seated beside him at a briefing by a landscape architect who was demonstrating, before a landscape model, the virtues of a siting plan for the proposed academy. The amiable young man elaborated on the care given for the amenities of the cadets by way of shrub-lined paths leading from their quarters down to the lecture halls along which, as he said engagingly, 'they can meander or ride their bicycles'. My neighbour stirred suddenly, then interrupted with the voice of command: 'They will not meander. They will not ride bicycles. They will march!' A clash of cultures, one might say.

The shape of what later became a college of the University of New South Wales owed much to the respect enjoyed by its Vice-Chancellor. Professor Rupert Myers was a scientist, engineer, long-time University administrator, and active in many national cultural activities. He was an excellent bridge between the cultures, and I think he, and I as an administrative reformer, valued each other's cooperation.

Obstruction continued. The Parliamentary Public Works Committee took evidence from some Service officers who were not supporting their Chiefs. After canvassing alternative ways of educating Service cadets, rather than pronouncing on the building project as such, the committee came out against the Australian Defence Force Academy project. The Prime Minister spoke to me, suggesting that they might have gone beyond their charter. I said I entirely agreed and that they ought to stick to discussing bricks and mortar and not education policy. In the event the Government went ahead. A few months after I left the system it announced (in February 1980) that the Academy construction would proceed, and that it would be under the academic supervision of the University of New South Wales. The opportunity to create a University named for Casey, the great Australian who had served at Gallipoli, had had to be forgone.

Australian Defence Force Academy cadets of all three Services have, since the opening, won respect for academic achievements, in some cases of the highest order, while also meeting the exacting standards of military discipline and leadership. It is noteworthy that some of the highest achievers have been female. At the time of recording these recollections I have been informed that Australian Defence Force Academy graduate officers are now occupying responsible policy positions in the Defence Department.

Using soldiers in support of police

In 1978 I received a summons from the Prime Minister to join his advisers at the Commonwealth Heads of Government Meeting at the Hilton Hotel in Sydney. The Prime Minister of India was Morarji Desai, and Fraser was apparently aware that I had got on well with him in New Delhi and could provide a useful contact if needed in Sydney.

I arrived at the hotel to find that a bomb had exploded in the street, killing a worker in the vicinity. The Prime Ministers were due to travel the following day, for the traditional 'retreat', to be held at Bowral. Sir Geoffrey Yeend, the Secretary of the Prime Minister's Department, and the small group of advisers were told by Fraser that he wanted the Army to provide protection along the route, lest the bombing be followed by a terrorist attack on the visitors. He spoke to Neville Wran, the Premier of New South Wales, and it was agreed that the police would not be capable of providing adequate protection against such an event. I was charged with the initial moves to get an Army detachment organised. I recognised that it would be necessary to have legal power vested in the Army detachment to take any necessary steps, such as control of movements of civilians along vulnerable points on the route and the use of military force against any actual threat of violence.

The first was easier to achieve that the second. My colleague back in Canberra, the Chief of Defence Force Staff, General Sir Arthur MacDonald, issued the

necessary orders through the Army Chief to the chosen unit at Holsworthy, after establishing what military presence might be needed, the details of timing of movement and so forth. Brigadier John Coates (later a Chief of Staff and scholar)[9] came from Holsworthy to our little office in the hotel to discuss final details of the intended travel, and to indicate the capabilities of his men.

What still remained to be established was their legal power to act against civilians. I was no expert on procedures for authorising military action in support of the civil power (that being the police). Nor, after several telephone calls to the Department and legal advisers, was useful information easy to find. The legal procedures had not been dusted off in several generations. My memory told me they were based on archaic British Army doctrine in British India. The need of legal cover was real. A soldier manhandling a civilian, or in the worst case shooting him without legal cover, could end up in goal. I knew something of the Indian experience where riots from time to time required the Army to be called in to support the police. Indian histories record the notorious case of the wretched Brigadier Dyer, blamed for the massacre of rioters in the Punjab (although most died not from gunshot but by being crushed in a panic).

Instead of squiring Morarji Desai, I was given the problem of providing legal protection for which, together with Yeend, I tried to find answers far into the night. Telephone calls to colleagues in the Attorney-General's Department yielded nothing useful. My memory told me that it had been British practice after a call-out in India to require a magistrate to survey a riotous situation. If the police were unable to cope, he was required so to certify, whereupon warning shots could be followed, if necessary, by open fire upon perceived ringleaders. But, where to find this quasi-judicial process at night in the middle of Sydney? Our small group of officials pondered briefly on the idea of finding a magistrate, possibly in bed or watching television, and presenting him with a bewildering request to authorise a Commonwealth agency to use force if necessary against a resident of his State. The notion collapsed into hilarity while we searched our minds for a more practical solution. One was produced by the Army itself. After formal call-out action in Canberra, Brigadier Coates deployed his detachment along the road to Bowral. For those travelling this route by car rather than choosing to be uplifted by Chinook helicopters, he arranged for police to be available at points where any suspicious action might require a response, the soldiers being a deterrent.

While some citizens of the Southern Highlands might have been alarmed by the appearance in their midst of armoured personnel carriers (needed solely for their communication systems) nothing ever threatened the Prime Ministers, as I was to learn later when back in Canberra.

Thus I returned to Canberra without ever meeting Morarji Desai.

Final months in the Department

James Killen continued as Minister for some years after I retired. During our associations I found him affable and cordial to staff, and courteous to his civilians. One might expect, when visiting his office, to hear about the talents of the racehorse pictured on his wall (just as my first Cabinet Minister 20 years earlier, Casey, liked to talk about the aeroplanes that he flew). Killen took evident pleasure in his association with Service officers whether in his office, on their parade grounds, or in their messes. His strength lay in Parliament where he used his oratorical flourishes and witticisms to change the atmosphere of the House. He showed me personally much consideration. Examples were his insisting that a wall plaque on a new building in Melbourne where he attended the opening should bear my name rather than his; and his generous designation of my wife for the launching of HMAS *Canberra* at the Seattle shipyards.

Killen had his problems with Fraser's style and methods as did other Ministers, one of whom resigned in protest. It was not a case of interference in the Defence Minister's territory but rather locking him up in long Cabinet meetings that denied him the time to spend with his advisers. Whether Fraser was using a commendable process of consultation, as some have suggested, or employing a method of getting his own way by wearing down opposition, is a matter of opinion.[10] My own judgement is that Fraser disliked going out on his own and had to rally supporters. Whether this was the politician or the man I am unable to say.

Some of his Government's decisions were troublesome for defence administration. Although the Government proclaimed a priority for fostering productivity in Australian industry, I encountered long opposition to declaring redundancies in the over-manned facilities remaining at Woomera that I described earlier.

At the same time Fraser supported consistently the reforms in the system with which he had earlier been associated when Minister for Defence, one being getting the Defence Force Academy created.

The gap between the strategic guidance and Defence preparations

When I left the Defence Department there still remained doubt whether the structure of the Defence Force and the deployment locations of its formations were an accurate reading of what the official strategic guidance called for.

I had taken the view that it was for the Services themselves, and not the civilian administrator/adviser, to apply professional judgement to proposing for approval the detailed operational capacities, the particular equipments, the deployment of formations, and the logistics they would use for the kind of combat or deterrence declared to be a credible contingency in the agreed strategic

outlook. But the Services, led by the four-star officer in the Department who had command over them, did not fill the void. From time to time they would complain about how the void frustrated them, but it remained.

Nor did Ministers in my time ask questions about the linkage or its absence. I have observed that, long after my retirement, under the direction of a well-qualified Minister (Kim Beazley), the gap was filled by the so-called 'Dibb Report' of 1986. Paul Dibb I know to have been an unusually well-informed officer with experience in strategic assessment. He was aided by a senior Army officer [and two senior-level civilians] and they mustered sufficient military support for the statement of capabilities, and the redeployment of units and assets, that was needed. There was a subsequent redeployment of forces to the North and West, and the mothballing of some equipment.

During his term, Beazley laid down a dictum in terms that civilian advisers had been urging Ministers to impose on the Services during the two previous decades in documents quoted earlier. This was a disciplined relationship between defence preparation and reasoned strategic guidance. In my time we could not be sure that we had unambiguous support where it mattered—the Cabinet Room. It seemed to me as an outside observer of the final years of the Fraser Ministry, at the time of the Afghanistan and Indian Ocean scare, that much of the earlier sober advice not to equip Australia for far-off missions, beyond the likely willingness of the community to support them with manpower and other resources, carried little weight. Perhaps those years illustrate the axiom that it is difficult for governments to change policies because to do so is an inherent admission of past error, to be exploited by the Opposition.

In his Roy Milne Lecture in November 1987, Beazley laid some blame on Defence Department practices for the difficulty:

> Effective defence policy must be grounded in a sophisticated and accurate assessment of our political and military environment but political pressures almost invariably work to favour vague and simplistic fears over careful analysis.

These fears, he went on to remark, prevailed over 'the more highly intellectual presentations that are the usual product from Russell Hill'.[11]

He focused the blame on the closed internal processes of discussion there, while the public debate, with which Ministers were necessarily concerned, proceeded unaffected on its traditional course.

No Minister that I worked for drew attention to the defect in the advisory system. In retrospect I can see that the process, starting with Shedden and followed by his successors Hicks, Bland and Tange (and I would guess those that followed) of deliberating without the presence of Ministers, and thereafter mailing, in effect, the results to them, made an ineffective impact on Cabinet.

Looking back I can recognise other deficiencies in the scope of our inquiries in the 1970s. For example, the process of devising a force structure capable of projecting effective power from Australia, or of using it on our own soil if it came to that, should embrace contingency plans for mobilising the resources (such as transport) belonging to the private sector, and the support of the instrumentalities of government at all levels in the Federation. This for long remained an unexplored field for the Defence Department, perhaps because our history of fighting in the territory of other countries or on the high seas narrowed the vision of what defending our own territory entails in practice.

But I doubt that Beazley (who had a grasp unusual among Ministers that I served) offered a way by which the usual run of Ministers could dislodge popular misconceptions about defence threats. To persuade Ministers to listen to necessarily long presentations by the experts in the field would call for priority over party room, Parliament, constituents, petitioners and many other claimants on a politician's time. Two full-time Ministers are the minimum required, such is the scope of activity for which the Defence portfolio is responsible. And it will be up to the Prime Minister to appoint Ministers not for their ability to beat drums that Servicemen like to hear, but to recognise what the security interest of the country requires. But can they always be produced by the electorate? Putting aside such a counsel of perfection, as history suggests we must, the public will need to support academic and serious media analysts, and to differentiate them from the lobbyists advocating narrow interests, some of whom can be observed in Parliament itself.

Two Ministers will not be on top of all the activities across the country and abroad. As might be expected, I believe Ministers will need a Public Service that is not afraid to supply the memory that few Ministers can have, or to suggest what does and does not serve the national interest, accepting that public servants can be shown to be wrong and may have to be moved if they are persistently wrong or waffle under tension. I also believe that the staff of Ministerial offices, appointed to serve above all the electoral interest of the Minister and the Government (assuming they are always identical) should not, while entitled to be kept informed, condition Public Service advice. Their advice may be parallel, but it should be separate.

Personnel policies and practices in the Services

One reason for the predominance of civilians in the screening of Service bids for expenditure commitments lay, in my opinion, in the failure of the Services to prepare officers for this kind of objective analysis and to retain them in the job with the experience they gained. While in some heated controversies aggrieved Services dubbed civilian investigations to be 'paralysis by analysis', the civilians counter-charged the Services as being too submissive to shiny brochures of the arms manufacturers with their lobbyists in Canberra, and to

the attractions of ever-advancing technology with insufficient weight given to cost-benefit. There were doubtless exaggerations on both sides. The civilians strengthened their claim to objectivity by the use of defence scientists, some of whom I transferred into systems analysis. All three Services had specialist engineers to support their bids along with operational experience which, however, did not necessarily equate with analytical ability. Their project officers could not remain long in the job because of the Service practice of job rotation.

To my mind an even more fundamental obstacle to those in uniform becoming perceptive and objective analysts lay in the educational standards accepted by the Services. Their personnel policies (described in Chapter 2) compounded the difficulty. Officers measuring up to the demanding tests of professional knowledge and leadership in the field were expected to become analysts understanding policies in procurement laid down by the Government. I believe that reforms in the educational system for officers have gradually changed this picture. These observations are not hindsight. Frequently, in lectures to senior officers, I personalised the matter by describing the capabilities they needed to acquire if they wanted to reduce the influence of officials like me.

The depth of education (so often confused with Service training) seemed to vary from one Service to another. The Army, perhaps because they were not tied so much as others to managing high technology (in short, modern warships and aeroplanes, and their sensors and weapons systems), seemed to produce officers who had spent more time in forms of a broader education.

These personnel practices in the Services, perhaps particularly how officers were selected for higher rank, deserved more attention from Ministers than they received. When invited after my retirement to address an Australian Defence Force Academy seminar on officer education I said

> Personnel management will be supremely important. When we supplement professional training … with expensive tertiary education. … Governments will want to be satisfied with Service management. I have to say that there is no aspect of Service administration so firmly removed from external scrutiny and public discussion. This reclusiveness should be dissipated. I watched with concern the tendency (of one Service) to blow out its brains through age retirement and wonder at the personnel policy that permits this.[12]

Defamatory media fabrications

During the decade following my retirement I was pursued by false and defamatory media accusations about my service in Defence. It was said variously that I had contacted the Governor-General (Sir John Kerr), or required the Chief Defence Scientist (Dr Farrands) to warn the Governor-General that my Prime Minister's actions were imperilling Australia's security relations with the United

States. A more offensive embellishment was to the effect that I had acted at the behest of a foreign intelligence agency, namely the Central Intelligence Agency.

The statements were untrue. At no time did I discuss with Kerr either the actions of the Prime Minister or any aspects of Australia's security relations. The journalist perpetrators were Brian Toohey, William Pinwill and John Pilger.[13]

Toohey and Pinwill had each had privileged access to classified defence information when occupying positions of trust in a Defence Minister's office through which Departmental and Services papers passed on their way to the Minister. Toohey worked in Barnard's office in 1972; Pinwill in the office of Bill Morrison (when Morrison was Minister Assisting from mid-1974 and later Minister for Defence in 1975). He was employed there when the Minister lost office in November 1975 and the Minister's records had to be packed up and disposed of by his staff.

Each of these persons after leaving his Minister's office made a career for himself in journalism writing about defence subjects, including Australia's links with American agencies. Toohey wrote somewhat boastfully in various Fairfax journals about his possession of classified Defence documents from undisclosed sources. By the mid-1980s he had secured the editorship of the Fairfax journal, the *National Times* (later defunct). While less prominent in his journalistic career, Pinwill, as a servant of government, undoubtedly had access to information that he was subsequently able to use in his writing, presumably for remuneration. It is noteworthy that the notorious Shackley telex was sent on my instructions to Morrison's office to keep him promptly informed. That telex from an Australian official in Washington reported a foolish threat from the Americans that Whitlam's actions would imperil continued American intelligence cooperation. The message surfaced in the media and was made the centrepiece of theories by these and other journalists of a conspiracy to influence the Governor-General immediately before he dismissed the Prime Minister.

In 1979 Toohey was pursuing inquiries into links between the Department and Kerr before the November 1975 dismissal. Farrands had had a discussion with Kerr in November that had been arranged pursuant to Kerr's practice, which started (and he had discussed the idea with me and others at a meeting) early after his appointment to Yarralumla, of asking senior public servants to talk to him generally about their work—in this case the kind of work conducted in the Defence science laboratories.

I told Farrands that I did not intend to make any response to Toohey's enquiry about this meeting because I did not trust him to use information without distortion to suit his agenda, and I directed Farrands to do the same. I understand that this ban on Farrands excited Toohey's suspicion.

In early 1982 Toohey began his first attack on my integrity with the statement in the *National Times* that I had arranged for Farrands to brief the Governor-General on the security concerns about Whitlam, and that Farrands had done so. All—Kerr, Tange and Farrands—have denied the truth of what was written. Farrands and I (both then in retirement) independently engaged lawyers to charge the Fairfax press with publishing false and defamatory statements. Both of us said, in effect, that we would not proceed to Court proceedings if we received satisfaction. In my case this was the printing without rebuttal of my letter of denial and payment of my legal costs. My denial was widely published in the more responsible journals. Three years later Toohey sent me a catalogue of questions about contacts between me and American agencies connected with a former Pine Gap Director. I told him to direct his inquiry to the then Minister for Defence, Beazley. A similar request to the head of the Australian Security Intelligence Organisation, Allan Wrigley, received a more acerbic refusal.

In retrospect I recognise that it was an error of judgement to believe that the best way to treat these falsehoods was silence, to allow them to die of inanition, while I got on with a fully occupied departmental life. But this conventional Public Service practice of leaving public discussions to Ministers was not a sufficient protection where one's personal integrity was being challenged. This became clear when the slur sprang to life through the mouth of a television commentator, John Pilger, who is given to finding conspiracies on dubious evidence but often given hospitality by the Australian Broadcasting Corporation and occasionally the Fairfax print media. He was aided by Pinwill acting as consultant. Pinwill wrote at one time a denial of the need for truth in reporting, saying pretentiously: 'Journalism is not a court of law; it is a process of weaving together, often from necessarily anonymous sources, the strands of history.'

Pilger declared a 'senior public servant' to be guilty of denouncing Whitlam's security reliability. Someone in London having used my name publicly, I was asked by the Australian Broadcasting Corporation whether I was the individual. After I warned the ABC to be aware of a possible action for defamation, my name was omitted. I observed, during a later television debate about the ABC's use of Pilger's programmes, that Paul Lyneham of the ABC remarked that 'he had threatened to sue', which is a journalist's way of leaving the derogatory impression that an unpublishable allegation against an individual might still be a valid one. A number of senior journalists wrote pieces accepting my denial.

Post retirement experiences

In the early 1980s Fraser responded to a request from Fiji's Prime Minister, Ratu Sir Kamisese Mara, for an Australian to advise on the operation of his Civil Service Commission. Fraser recommended me for the task. After months of investigation in Fiji my reports, public and private, addressed the lack of method

and much elementary incompetence which I found in the way the staff were exercising, or neglecting, their control of departmental establishments and selections for promotion. I saw at first hand the conflict of principle with equity in the opportunities for higher office as between Indians and Fijians, where merit alone would have greatly favoured one race against the other, less educated and agile-minded.

Later the Government gave me the privilege, when an election made it impossible to send a Minister, of representing Australia among the envoys celebrating Fiji's 10th anniversary of its independence. There were appropriately dignified ceremonies to mark the occasion. Britain was represented by Princess Anne, whose conversation revealed a percipient understanding of what was going on in Australian politics. Inescapably, as has been my experience abroad over the years on solemn occasions, there were events that I found less than solemn. The Crown Prince of Tonga, a huge man of seemingly immeasurable weight, was taken on a tour of the University campus. Prudent arrangements had been made for reinforced seats at intervals to enable rest to be taken. Unhappily his guide, becoming distracted, led him off course. Rest was taken but I am told at the expense of much damage to University property as he smashed one conventional chair after another.

Some other hangovers from my Public Service days were less enjoyable. While in Fiji I was pursued by the Privileges Committee of Parliament to appear before them concerning actions, thought to be intimidatory, against an officer who had given evidence critical of the Department and Chiefs of Staff to a Parliamentary Committee. While within public administrative circles I made known my poor opinion of the judgement of this particular whistleblower, I avoided any action that would be contempt of parliamentary privilege. On return to Australia I learned that there had been some heavy-footed and insensitive actions by officers in the Department during my absence. When I did appear before the committee, various propositions were put to me that knowledge of the critical view of the individual by so influential a person as myself had inspired culpable actions against the individual by others in the Department. My recollection is that I displayed due modesty at the implied compliment, but left it to the Committee to find some wrongdoing to pin on me by the indirect route they had chosen. I believe their Report suggests they were not successful.

On serving Ministers

As earlier recorded I had, prior to the 10 years of advising Defence Ministers and implementing their decisions, performed the same duty for several External Affairs Ministers in the course of 20 years beginning in 1943. Allowing also for the Ministers in other portfolios who acted temporarily during the frequent absences of our own Minister, I came to observe at close quarter rather more than 20 of the species.

Each of the External Affairs and Defence portfolios made its own unique demand in respect of policy and the kind of directions needed to be given to subordinates. All were similarly accountable to Parliament for what they did or what was known of what they failed to do.

My own personal experiences with individual Defence Ministers have been narrated in Chapters 1 and 2. In many ways I was fortunate in the relationships that I had earlier in External Affairs. There one had to adapt to differences of personality and style. One or two were most likely to be influenced by forms of approach that I found difficult to adopt. I am not a natural flatterer and this irritated Evatt. Nor did I excel in the kind of acerbic wit, puncturing the arguments of others, that Menzies enjoyed hearing from some of his favourite advisers. My problem was the greater when Menzies uttered excoriating verdicts on some of the anti-colonial and non-aligned leaders of the time. The External Affairs argument for understanding and tolerance of the anti-Western rhetoric of those days rested not on demonstrable facts but on somewhat vaporous arguments about the need to have respect for 'Asian opinions'.

In my first years in External Affairs, Evatt, in his strident and excessive demands on Australia's behalf abroad, made me aware that the family relationship with Britain was no guarantee of respect for Australia's interests. After the 1949 election, direct contact with four significant Ministers in succession (P.C. Spender, R.G. Casey, R.G. Menzies and Garfield Barwick) left a strong imprint on how they expected the Department to respond to international situations and institutions.

Within days of taking over from Evatt, Spender told me of his intention to abandon Evatt's reliance on the United Nations at a time when threatening communist regimes were spreading. Putting limited reliance on Britain, we would turn to the United States for security protection. His stated fears of a resurgence of Japanese militarism seemed unduly pessimistic. We suspected that he was using that argument against joining the soft peace treaty, which John Foster Dulles wanted, to extract a formal commitment from the United States to satisfy our concern for our future security. He achieved what he wanted against the scepticism of his Prime Minister. He had looked to a group of officials (not including me) to marshal the arguments and draft the texts.

Inheriting this achievement, along with the developing hostility of Communist China to a formal conclusion of the Korean War, Casey applied himself to cultivating better relations with the Asian countries emerging from colonial status and declining to be aligned with the Western powers to which Australia was attached. The Department was enthusiastic in supporting him. But he lost out on many occasions in Cabinet, which was clinging to the past and containing some racial prejudices. In the Department we responded to his caring style towards his officers and fully supported his indefatigable activities abroad, but

I doubt that we did enough to persuade him of the need to carry public opinion with him in his endeavours in Asia.

I saw no harm but little prospect of practical outcomes in Casey's well-intentioned advocacy, with his high-level British and American contacts, of a return to the Anglo-American unity that had been crucial in the defeat of Germany. The Department shared his despair at Menzies' support of Eden's disastrous attempt in 1956 to restore British influence in the Middle East after Gamal Abdel Nasser's takeover of control of the management of the Suez Canal.

In contrast with Spender, who allowed no room for officials to share the limelight that was always important to him, Casey made a point of including senior officials in his conversations with world political leaders of the time. I was a frequent beneficiary. His motive was to enhance the status of officers of his Department. He was unlike Spender in another respect. Status, whether social or political, was not something that he had to lay claim to. He had acquired both as a young man. There was no need to give officers notice of his superior status. In the case of one or two who had personal problems he was generous with fatherly advice.

In the mid 1950s, during Casey's frequent absences abroad, the Defence Minister, Sir Philip McBride, acted in his portfolio. Undemanding on policy matters, McBride was another Minister who treated his officials with great courtesy. He was unflappable as well. This I learned when, soon after dawn, I had had to beat on his hotel door to coach him in preparation for an early visit by the Soviet Ambassador bearing an expected protest that we had abducted Mrs Evdokia Petrov on the Darwin airfield earlier in the night. The occasion was her decision to seek asylum from the grip of her Soviet guards on the way to Moscow in order to join her husband who had weeks earlier defected from the Embassy.

With Barwick we had no difficulties in serving his policies, and he had clout in Cabinet. He consulted his Department and enjoyed a debate, usually good-natured. He also enjoyed winning; and more often than not we had a bonus in hearing unsolicited opinions on a surprisingly wide range of subjects other than External Affairs.

Although Menzies was usually avuncular in manner towards his public servants, I was sometimes ill at ease in his presence during my two years with him as Minister. There was seldom any dialogue on matters I brought before him; and when he had approved a Cabinet submission in his name I could not be sure that he would not present it to his colleagues as simply a Departmental view. Perhaps he was already coming to the view, expressed to Barwick a year or two later, that it would be best for me to vacate the Secretary's office.

To influence Hasluck we had the obstacle that, as a former Departmental officer dealing directly with Evatt in Canberra, and having served on the UN Security Council and jousted there with the implacable Andrei Gromyko, he did not believe he needed advice. I believe he had also a desire to rid the Department of any pretensions to act other than under strict instructions, as it had done years before when he saw John Burton acting thus. On one occasion I was sharply told that 'policy is for Ministers'. I did not take kindly to undeserved rebukes of this kind.

Having returned after five years in India to serve under the young Malcolm Fraser in Defence, I admired his energy. Because he tended to jump to unfavourable conclusions without waiting for the evidence, and to be sparing in the advisers he trusted, one could expect arguments with him. In contrast, his successor, David Fairbairn, was passive, stolid and uncritical, taking few initiatives and none to change the ineffectiveness of the weakly controlled Defence system. I have earlier recorded my experience with Gorton and Fairbairn in the twilight of the McMahon Ministry. I had many opportunities to advance my views to the new Labor Ministers when they came into office, although not always in time to try to head off some impetuous intentions of Whitlam in his later months.

Recalling these experiences with Ministers prompts some general observations on the relationship of the Public Service with Ministers in the 1950s, 1960s and 1970s. I discovered that a required art of the official is sometimes to infer policy from a silent or inarticulate Minister—which is not the image cultivated by politicians of a Service whose simple duty is to wait for policy direction and to implement it faithfully. As to those Ministers who welcomed policy advice, some would respond if it were made in conceptual terms. Others preferred the concrete, perhaps because of a canny wariness lest there be unforeseen consequences in generalisation. Perhaps this lay behind John McEwen's opposition, described earlier, to advice from the Defence Committee in 1958 to achieve a greater defence capability of acting without allied assistance. Some intellectually well-equipped Ministers (Evatt, Spender, Menzies) would sometimes formulate policy direction in a dialogue with officials on the principles to be applied. Casey, an engineer by training, preferred less elusive and more concrete propositions and would not have been party to the demand in later years for a more modest policy role for the adviser. He once asked me: 'You show me all the options. But what, for the love of Heaven, do you recommend?' He liked the detail of the Colombo Plan aid in its various forms. As to less tangible matters, the advice to be offered by an official in External Affairs or Defence, for the Government to use in communicating with other governments during the Menzies era, would often have to be derived from the rhetoric of generalisations frequently used by Ministers, like 'support for friends and allies' or 'support for ANZUS'.

In advising Ministers on defence matters, their decisions would need to have regard to public perceptions and not simply material facts (like the state of another country's military capabilities). These drivers would include accumulated popular fears or mistrust of particular countries as well as embedded loyalties to those seen as friends, particularly by Coalition backbenchers who served alongside Britain in the Second World War. The official learned that the driver differed as between the two sides of politics, be it loyalty to the United Nations or loyalty to Britain, or avoiding public disagreement with the United States.

Advising Prime Ministers had a special dimension for obvious reasons. There was no right of approach past one's own Minister (something that Chiefs of Staff had to be brought to accept). Moreover, there was a progressive concentration of power in the office of successive Prime Ministers and its extension into areas belonging to other portfolios. The impact of this on officers of other Departments varied with personalities. There was scope for occasional bullying at one extreme, while at the other Sir John Bunting was invariably considerate in explaining how Menzies would prefer a matter to be handled. Some of his subordinates were not so open about the advice they were privately giving. The view that Casey expressed to me, that Menzies should accept that he use his Ministers as his advisers, had no chance of succeeding.

All the Ministers were scrupulous in not revealing to me any details of Cabinet discussions. When Menzies opposed the more liberal proposals of his External Affairs Minister, Casey would indicate as much to me by well-mannered grimaces at Menzies' name. Barwick, who did better at overcoming Menzies' opposition, would trumpet his successes to me with the joyful cry: 'Thunder on high today!'

The possibilities of advising a Prime Minister while travelling overseas have varied. In those early External Affairs days, with Menzies so unsympathetic to much of the advice we would offer, announcement of an impending Prime Minister's Conference in London, with Menzies on the loose, would be received with some dismay in the Department. Menzies was always considerate towards conventional procedure (while Gorton was not). External Affairs would always be included in his entourage and treated with courtesy. But as to influence on policy in Conference, or in the meetings he had with British leaders, it was negligible. He himself made sure of this. In the Savoy Hotel where we were all quartered in close proximity, Menzies was adept at skipping in and out of his suite without being waylaid by any of the advisers lurking in the corridors hoping to get to him with last minute 'briefings'. He made amends for any injury to *amour propre* by sharing his martinis at cocktail hour, which was not the occasion for badgering him with policy advice.

It comes naturally to a former public servant to argue the virtues of a Public Service that is competent and possesses experience and memory that few Ministers can possess, and the value to Ministers of listening to Public Service

advice. Whereas Menzies was confident enough in his Ministry's control of policy to urge his new Ministers to consult and listen to their officials, a later generation became more selective in this practice, apparently believing such dependency was weakness or perhaps open to misunderstanding of the thrust of the Party's policies. As to the intellectual qualification of Ministers, there is little doubt that, as compared with my early days, there has been a marked increase in their academic qualifications (which, however, is no guarantee of better judgement).

In the early 1950s the speed of change in Australia's external environment called for more information and explanation to the public. Unlike later years, the Universities during the years of the Menzies ascendancy of the 1950s contributed little. The practice of Ministerial 'guidance' of the media, with facts and statements of attitudes on external security issues arising from time to time, differed greatly as between Casey and Menzies. Casey bombarded the press with statements that he wrote on matters great and small; Menzies in contrast remained aloof and often scornful of so-called 'scribblers', preferring to make formal statements to Parliament. In like fashion, Hasluck rejected sharply a suggestion of mine that he give daily access to him for guidance by an officer that I had appointed to give non-partisan background information to the media. He professed to be indifferent to what the media chose to say.

After Labor's reorganisation of Defence in 1974, Defence Ministers needed relief from being overloaded, but in a form that preserved central control of policy and consistency in its application in each of the Services. Previously, overload was not the problem. Three Ministers, usually junior from the late 1950s, each supervised (perhaps with differing assiduity) one of the Services; and a Minister of Supply supervised Defence factories, purchasing contracts, Defence science and some international cooperation. The relationship between Public Service and Ministers was significantly affected by Labor's transfer of authority to the Minister for Defence that I have described, along with the widened power of the Secretary.

The problem of overload was exacerbated by the rejection of my advice to place some Supply Department activities elsewhere. The Whitlam Government turned to a device that I had had some part in devising when Menzies had taken the External Affairs portfolio, and had decided to call on another Minister to assist him. He had agreed to establish an exact list of matters upon which the Department would take orders from another Minister (in this case the Minister for the Navy, Senator Gorton). The necessity for this makeshift device lay in Counsel's opinion on the Constitution. This was to the effect that Section 64 did not permit more than one Minister to administer a Department; and that if a member of Parliament were made Assistant Minister, and received emoluments, he would be subject to a severe penalty. In later years the constraint disappeared,

after the Hawke Government on different legal advice made dual appointments without challenge.

In the Defence Department in the 1970s, a 'Minister Assisting' had relieved the Minister of some time-consuming matters of procedure and routine in respect of the Services. He was allotted the Service personnel area for policy direction and control. But Ministers Assisting had their public and electoral repute to advance in their own portfolio rather than get involved in controversies elsewhere. The deficiencies in Service promotion policies, described in Chapter 2, and the failure to prepare enough uniformed officers for policy and analytical work, remained. In the absence of Ministerial direction, the practices of the Services carried on as before.

Two conceptions of Ministerial–Public Service relations were held in my time, although put under challenge in my later years and since. One was that the Service would be expected to apply its accumulated experience and its intellectual resources and judgement to discerning where the national interest lay; and to make this the foundation of its advice to Ministers. Along with this went the obligation to implement what the Minister decided, without going public on whether or not the view of officialdom had prevailed. This notion of a closed-circuit relationship later gave way to adoption by Ministers of multiple sources of advice, and to a challenge to the right of the non-elected officials to purport to define where the national interest lay.

A second conception was that assurance of permanency in the career carried an obligation to offer the Minister unpalatable advice where necessary for the public good. Because the Departmental Secretary was appointed by the Government, he could not claim permanency as a legal right, because the Minister must have trust in those who are best placed to know his shortcomings while bound to accept his directions. Silence in public had to prevail, leaving it to the parliamentary process and the media to bring to light half-truths and self-serving evasions. As to that, these methods of scrutiny were not, in my experience, likely to bring to light confusion of mind or indolence or other frailties that afflicted some.

Whether the break-up of the fabric based on these conventions serves the national interest remains to be seen. In matters involved in the defence or diplomatic posture towards rival or potentially hostile powers, which was the area of my own practical experience, I have reason to doubt both the ethics and the prudence of permitting non-public servants who are not bound in a career structure the opportunity to take information gained in the service of governments for use elsewhere serving their own interests.

As for myself, I accepted the obligations that went with having the freedom that prevailed in the early years to advise Ministers in private as one wished. In showing a Minister the respect, in both substance and manner, due to the

high elected office that he held, I also expected reciprocity in civility towards me. I had no cause to complain, being too junior, to take offence at Evatt's sometimes bullying manner. A testy encounter in later years with John Gorton (when he was Minister assisting Menzies in the External Affairs portfolio) ended in a draw, which had no lasting effect that I observed in my later relations with him as Prime Minister.

In the matter of relations at the personal level, some of my colleagues seemed to hold the view that too much closeness could threaten the non-partisan standing of the Service. As to this, there was a dilemma when it was a Minister himself who sought a friendly social relationship. While it would be imprudent and perhaps demeaning to court a Minister's friendship to serve a hope of further advancement in the Service, it would be churlish, I believed, to reject a friendly social relationship when offered it. Casey treated his officers as a family (he had been an officer himself), and to some he was appreciative in practical ways of their health or other problems. After his retirement (but only then) he presented several of us with mementos expressing gratitude for our assistance. Maie Casey showed a particular regard for, and was generous to, my daughter.

In the early 1950s Canberra was a dreary place for Ministers far from home. Only a few acquired houses for their family (they included John Gorton, later Malcolm Fraser, and Robert Menzies with the Lodge). Diversions were few, as were friendships in a Cabinet bound together only by the politics and hopes of survival they shared. When Casey, something of an outsider to them, occasionally asked whether my wife would provide him with a grilled chop, we did so knowing how unhappy he was in Canberra. The friendship that existed between us remained long after his retirement.

Some other Ministers may have had a similar relationship with their Departmental Secretary of which I was unaware. In one case of a senior Minister, solace took a different form. He was a hard drinker and gifted raconteur in the evening lounge of the Hotel Canberra, and it was widely believed that the manager of that institution earned his MBE for seeing the Minister into his bed.

I developed lasting friendships with Garfield Barwick and later Malcolm Fraser. I was not inhibited by any sense of departure from party-political neutrality. When Gough Whitlam and Lance Barnard took over, my relations with the Prime Minister were cordial; and likewise with Barnard and his wife, fostered when my wife and I shared convivial times with them after travelling in their aircraft for official discussions in Asia and Europe. This benign attitude to me was not shared by the Victorian Left Wing of the Labor Party, who attacked Barnard for it.

To be a party political eunuch is not everyone's ambition. But in my chosen career it made possible my part in founding, under the Labor Government, a

radically changed system of defence decision-making, and afterwards preserving it under a Coalition Government for my successors to build upon in later years.

Reflections on a personal journey

The experience that I brought to Defence, already related, was very different from that of the Service Chiefs with whom I was to work, and whose codes of Service loyalties and responsibilities I had to understand.

As noted earlier, my first international experience was not with matters military but with international plans and organisations in economic, social and, later, political areas. My first encounter with defence and security advice was when North Korea (later joined by China) invaded the South, and the United Nations authorised a military action against the invaders in which Australia joined.

Many people had earlier sharpened my awareness of the interests of Australia in the world requiring to be protected. H.C. Coombs and fellow economists whom I served had campaigned to convince a resistant United States of its obligations to conduct expansive domestic policies upon which the trade opportunities of other countries depended.

Some of my External Affairs experience had limited value in Defence. My financial responsibilities had not been great. My managerial experience had been directed at creating an effective organisation for the Department for the first time; and for assessing the suitability of people for particular responsibilities within it. I had much to learn in Defence (which was not the kind of assessment that came naturally to my predecessor and friend Henry Bland). I had by then formed a view of the Public Service and its disciplined performance that some of my earlier External Affairs subordinates may have found over-demanding. I had a deep conviction that public service was more than a career; that it was a duty to the public.

I recorded in earlier chapters my judgement that the Services were gripped overmuch by the experiences of the past in addressing Australia's present and future. I came to recognise that this was to some extent an understandable product of deep attachments of loyalty and spirit that were fostered by living institutions. In Foreign Affairs it is easier and best to be pragmatic about whether or not to allow traditional friendships to affect policy. Rash misjudgements in the language of diplomacy seldom have long-lasting effects; and time is a healer. But in Defence the lag time in everything is long, and wrong preparations, or nomination of the wrong likely adversary, carry the risk of more lasting damage. Caution about change can be justified.

I had to think again whether the censorious views I had expressed before coming to the Defence Department (noted in Chapter 1) were less applicable to the Chiefs than to the defence organisation, kept in being by successive

governments, that preserved rivalries for resources without a disciplined system requiring conformity to government-approved strategic priorities.

The most senior Service officers brought into the Department as Chairman of the Chiefs of Staff Committee or Chief of Defence Force Staff brought an experience very different from that of a chair-bound civilian. My first had British Army experience pre-war and later served in combat with Australians in the Middle East and New Guinea during the Second World War. My second, a naval aviator, had had carriers sunk under him twice. The third had served in combat in the Middle East and later Korea. The fourth had commanded in Vietnam; and the fifth had commanded the Malayan Navy after many sea-going commands. The Service Boards contained officers who had served on the ground or in the air over Europe and North Africa.

As they rose to eminence in the fighting profession, they had one feature in common: with occasional exceptions, they had been commanded by, and been given their strategic instructions by, an ally (Britain or the United States). In 1970, Fraser proclaimed that the Services should prepare their military capabilities from a strategic assessment that was common to all three and accepted by the Government. It was this that subsequently occupied me in getting it articulated and observed in practice. The residual influence of Australia's past associations, going back to earlier Imperial defence, helps explain how much grip the past had on the later response to the contemporary Australian environment. But there was more than that for the civilian administrator to understand. As I see it, the lifeblood of a uniformed Service is loyalty; and when it was directed upward it was directed eventually to Australia's Head of State by three 'Royal' Services. Past campaigns fought under American as well as British strategic direction are honoured; and in addition there are public institutions preserving and honouring past service in these campaigns.

All of this called for respect on my part. But respect could not extend to accepting priority for modernising and replacing equipment and developing capabilities originating in past campaigns against enemies that no longer existed, or which no longer credibly related to this continent's changing geopolitical environment. As I have tried to illustrate in this memoir, my work with the Services was mainly about getting a consensus on what capability was relevant to the future and within the country's realistic willingness to support it; and about persuading Ministers to accept that conclusion. This was unfinished business in my time. And with so many uncertainties always up for judgement and debate, it is likely to remain so.

ENDNOTES

[1] In order to maintain Australia's naval aviation capabilities, the Fraser Government decided to acquire the HMS *Invincible* from the United Kingdom. When the Falklands War broke out in 1992, however, the Fraser Government agreed to permit the UK Government not to conclude the transaction. Alternative options were still being considered within the Australian Government at the time of the 1983 general election. Soon after its election, the Hawke Government decided not to pursue the idea of a new aircraft carrier for the Royal Australian Navy.

[2] Killen's Ministerial statement on Defence on 29 March 1979 is at *Commonwealth Parliamentary Debates*, vol. H of R 113, pp. 1324–34.

[3] This is principally a reference to the case of Ric Throssell. See Ric Throssell, *My Father's Son*, William Heinemann, Richmond, Vic., 1989, and Peter Edwards, *Arthur Tange: Last of the Mandarins*, Allen & Unwin, St Leonards, NSW, 2006, pp. 92–93.

[4] The references here are to the Defence Signals Directorate and the Australian Secret Intelligence Service. The existence and role of these agencies, and the identity of their heads, is now publicly acknowledged, but this was not the case for most of Tange's career.

[5] Fraser's property in the Western District of Victoria.

[6] Tange indicated at another time that this Minister was James Killen.

[7] See *Commonwealth Parliamentary Debates*, vol. H of R 102, 17 November 1976, pp. 2756–57.

[8] Paul Dibb, who also attended the meeting at Parliament House, remembers the Joint Intelligence Organisation analyst (to which Tange refers) as Brigadier J.O. Furner (who later became Director-General of the Australian Secret Intelligence Service) instead of Brigadier John Baker.

[9] John Coates, who was a Colonel rather than a Brigadier at the time of this incident, later became Chief of the General Staff (the position now known as Chief of Army) with the rank of Lieutenant General. After retirement he became a distinguished military historian at the Australian Defence Force Academy.

[10] These questions are discussed at length in Patrick Weller, *Malcolm Fraser PM: a study in prime ministerial power*, Penguin, Ringwood, Vic., 1989.

[11] Kim Beazley, 'Thinking Defence: Key Concepts in Australian Defence Planning', Roy Milne Memorial Lecture, 6 November 1987.

[12] The source of this quotation has not been located. It does not appear in the text of Tange's talk on 'The Education of Officers for Government Administration' to a meeting of the Australian Study Group of Armed Forces and Society in May 1980, as reproduced in *Sir Arthur Tange, Defence Policy Administration and Organisation: Selected Lectures 1971–1986*, a collection of lectures printed in 1992.

[13] These allegations are discussed in the Appendix to Edwards, *Arthur Tange: Last of the Mandarins*.