

SAN FRANCISCO: 50 YEARS ON
Part Two

Professor Roger Buckley, International Christian University, Tokyo:

‘Hong Kong and San Francisco: Anglo-American Debate on East Asia and the Japanese Peace Settlements’

Professor Valdo Ferretti, University of Rome ‘La Sapienza’:

‘Yoshida’s Ideas on China after the Dulles-Morrison Agreement and its Relevance for Anglo-Japanese Relations’

Professor Neville Meaney, University of Sydney:

‘Look Back in Fear: Percy Spender, the Japanese Peace Treaty and the ANZUS Pact’

Emeritus Professor Ann Trotter, University of Otago:

‘San Francisco Treaty-Making and its Implications for New Zealand’

Discussion Paper
No.IS/01/426
September 2001

The Suntory Centre
Suntory and Toyota International Centres
for Economics and Related Disciplines
London School of Economics and Political Science
Houghton Street
London WC2A 2AE
Tel.: 020-7955 6698

Preface

An all-day symposium was held at the Suntory and Toyota International Centres for Economics and Related Disciplines on 10 July 2001 in order to commemorate the 50th anniversary of the San Francisco Conference of September 1951. It attempted to reassess that conference and the peace treaty with Japan which emerged from it both from international and national perspectives. This attracted a distinguished panel of speakers and a large distinguished audience. The symposium was held in conjunction with the Japan Society, London.

The eight papers are being issued in two parts. Part I consisting of papers dealing with the United States, Japan and Britain has already been issued.

In Part II we deal with related issues. Professor Buckley deals with Anglo-American differences over the China question, the outcome of which was that neither the People's Republic nor the government of Taiwan were invited to attend the conference. Professor Ferretti deals with the thinking of Prime Minister Yoshida at and after the conference, with particular reference to his desire for good relations with Britain.

Alongside the Peace Treaty and the American - Japanese Security Pact there was signed the Australia - New Zealand - United States (ANZUS) Pact. Professor Meaney and Professor Trotter discuss the ANZUS Pact from the standpoint of their respective countries, Australia and New Zealand.

We are grateful for financial support for this symposium received from the Japan Foundation Endowment Committee.

September 2001

© by the authors. All rights reserved. Short sections of text, not to exceed two paragraphs, may be quoted without explicit permission provided that full credit, including © notice, is given to the source.

Contact address: Dr Janet Hunter, STICERD, London School of Economics and Political Science, Houghton Street, London WC2A 2AE.
email: j.e.hunter@lse.ac.uk

Abstracts

Buckley describes how Britain took the independent step of recognizing the People's Republic of China, a step which led to problems about China being invited to the San Francisco conference. After China's entry into the war in Korea, Hong Kong's trade was squeezed through trade embargos imposed by the United States and its exposed security system was vulnerable, had it not been for the presence of the US 7th fleet in the Taiwan Straits.

Ferretti shows that the leading ideas of Yoshida Shigeru on relations between Japan and the People's Republic of China did not change after the failure of the Dulles-Morrison Agreement as he continued to pursue normalization with the PRC. He had the idea of joining the Colombo Plan and entering the markets of Southeast Asia by establishing a preferential bilateral axis with Britain but this was ultimately rejected by Britain at the time of Yoshida's visit to Europe in 1954.

Meaney describes External Affairs Minister Percy Spender's views on the need for a Pacific Pact. When it became clear from discussions with Dulles early in 1951 that the treaty with Japan would not be punitive or restrict her rearming, Australia called for some sort of security agreement with the United States. This came to fruition as the ANZUS Pact which was signed and ratified more or less simultaneously with the San Francisco treaty.

Trotter discusses New Zealand's reaction to the Australian initiative over the need for a security pact. While she had considerable reservations, most notably over relations with Britain, she appreciated the need for security guarantees and joined the ANZUS Pact.

Keywords: San Francisco Peace Treaty; People's Republic of China; Korean War; Hong Kong; US 7th Fleet; Taiwan Straits; Colombo Plan; American-Japanese Security Pact; ANZUS Pact; Yoshida Shigeru; Percy Spender; John Foster Dulles; Herbert Morrison; Southeast Asia; Japan; Britain; Australia; New Zealand; United States.

HONG KONG and SAN FRANCISCO: ANGLO-AMERICAN DEBATE on EAST ASIA and the JAPANESE PEACE SETTLEMENTS

Roger Buckley

Writing to Winston Churchill in March 1955, President Eisenhower noted 'an apparent difference between our two governments that puzzles us sorely and constantly. Although we seem always to see eye to eye with you when we contemplate any European problem our respective attitudes towards similar problems in the Orient are frequently so dissimilar as to be almost antagonistic'.¹

At no time was this unfortunate legacy more apparent than during the period between 1949 and 1952, when events in northeast Asia centred on three highly complex and closely interrelated issues. These were, of course, the appropriate strategy for conducting war in Korea, a raft of issues relating to the emergence of the People's Republic of China and policies towards post-occupation Japan. It was virtually impossible for officials in London or Washington to attempt to draw up papers on the region without having to reckon with this troika of issues and, in addition, anticipate both immediate differences on Asian policy and take careful note of the major domestic political consequences implicit in every move, particularly in the case of the United States and its approaches to east Asia after 1949. To give merely three random examples taken from the Truman papers of the dangers lurking in the background: the president received a huge correspondence that included a message from Mary Pickford on the anniversary of the atomic bombing of Hiroshima, strong endorsements from Governor Jim Folsom of Alabama, who wrote entertainingly after the publication of the 1949 White paper on China that 'for the first time to my knowledge the State Department is able to see further West than the Hudson River', while the administration took good care to cultivate Congressman Mike Mansfield of Montana over all things Japanese.² Each and every shade of opinion on how the authors thought the United States should deal with rival Chinese governments, win the war in Korea and control Japan emerge to almost swamp the White House.³ In the particular case of what might be the appropriate course of action towards the Chinese civil war in the years after Japan's surrender, the range of opinion covers the entire political spectrum from sending volunteers to fight alongside Chiang Kai-shek, to dividing China into two separate states and on to recognizing the People's Republic of China as the lawful government of the land.⁴

On what might be termed 'the Big Three' questions for Asia, it is probable that President Truman was correct to minute wryly that Allied progress over the Japanese treaty appeared to be one issue where Anglo-American differences were not insurmountable. In contrast to the British position over the PRC and London's attempts to restrain MacArthur and limit the war in Korea, Anglo-American differences over the Japanese peace settlements were more muted. It is also likely that in terms of pressing international import, the construction of what some have termed the San Francisco 'system', ranked third on the immediate American political agenda behind the horrors of Korea (recently referred to as not so much the forgotten war but physically as the coldest war) and the controversies surrounding China. In retrospect, however, the long-term consequences of San Francisco would have an even greater impact on American foreign policy in the Pacific over the next half century than either the China question or the Korean War. The construction of the multiple settlements associated with the Japanese peace treaty were to prove the lynchpin of American political, military and economic involvement in the region from the early 1950s to the present and on, surely, for at least another generation.

For the British Labour and Conservative governments of the time the eventual peace treaty with Japan was seen as a necessary, if highly belated, event. Both front benches exhibited a bipartisanship that contrasts with the ferocious political battles between the Truman administration and its Republican opponents. The British approach tended to be low key, at least in public. Correspondence from Ambassador Franks, admittedly when he was already long retired, indicates that he was far too busy tackling Korean crises to have had any particular recollection of earlier input over the Japanese settlements.⁵ Indeed, the British official approach to San Francisco appears to have been to limit open debate wherever possible, in order not to inflame those elements in Britain who preferred a Carthaginian to a compassionate peace. Opponents among ex-servicemen, civilian internees and Lancastrians far outnumbered those few who were prepared to speak up in favour of a liberal set of arrangements that looked to the future rather than the immediate past.⁶ Portions at least of the British press, however, should be excluded from these criticisms.⁷

Explanations for the relatively benign Anglo-American dealings that culminated in San Francisco are perhaps fourfold. Secretary Bevin had laid down broad, general lines of policy towards Japan that anticipated a generous peace settlement. It had

also been long recognized that Britain's junior status in the occupation's lengthy interregnum would limit any over-large contribution to the eventual peace arrangements, where it was inevitably the case that the United States would dominate. Third, events in China and on the Korean peninsula by the autumn of 1950 had become far too pressing and, finally, no British government was likely to have the energy to add yet another dimension to the already lengthy list of Anglo-American quarrels abounding in northeast Asia. In a sense San Francisco 'slipped' through the net. The peace process was largely a bureaucratic exercise where ministers did not intend to press the Truman administration too hard, given that the region was ablaze, British interests effected by Japan were less than vital and further controversy ought to be avoided in order to maintain the broader Anglo-American partnership.

Antipathy to post-war Japan was a view that united virtually the whole of the Asia-Pacific - indeed it is almost impossible to find any Asian government that had a good word to say for the San Francisco peace terms. The majority of the states that signed the peace treaty had only marginal interest in the region and were there largely at the insistence of Washington in order to swell the numbers. This 'packing' could hardly disguise the fact that the treaty was an American-engineered arrangement, though technically under joint Anglo-American sponsorship, where John Foster Dulles most ably gained his way. Dulles worked like the successful lawyer that he had long been through lengthy, thorough debate and extensive correspondence where each and every statement was drafted to protect his and America's position. The old and very tired refrain of 'dull, duller, Dulles' is certainly apparent though in his dealings with the Foreign Office. Denning could hardly disguise his impatience at one platitudinous lecture from Dulles on the future of the Asia-Pacific, but for some one who had never previously exhibited much interest in the region, aside from describing Chiang Kai-shek as a Christian gentleman, his accomplishments are considerable. Dulles' assessments of other governments were often accurate. In November 1950, for example, Dulles had written to General MacArthur, following private talks with Far Eastern Commission members that 'we judge that their [UK] principal concern is with the impact of Japanese commercial competition during the post-Treaty period'.⁸

It may be worth recalling that the peace treaty with Japan was seen by Dulles as the most important of no less than five sets of negotiations that he was involved in

simultaneously. When he wrote to President Truman in early October 1951 to hand back his commission, he proudly stated that all his tasks were over. For Dulles these had been, as listed by him, first, the peace with Japan, second, a mutual assistance treaty with the Philippines, third, a security treaty between Australia, New Zealand and the United States, fourth, the US-Japan security treaty and, fifth, an exchange of notes between Secretary of State Acheson and Prime Minister Yoshida 'pledging Japan to permit and facilitate the support, in and around Japan, of forces engaged in United States action in the Far East'.⁹ Dulles further informed Truman that the above mutual assistance and security treaties, in company with the retention by Washington of the Ryukyu and Bonin islands, would provide for what Truman had ordered in his statement of 19 April 1951 as 'natural initial steps' to 'strengthen the fabric of peace in the whole Pacific Island area, where security is strongly influenced by sea and air power'.¹⁰

Debate over Hong Kong forms one important part of Anglo-American relations in the Asia-Pacific during the first post-war decade. It was an issue that stood somewhere between the 'successes' that the US achieved during the occupation of Japan and Britain gained after its return to liberated Malaya, and the 'failures' encountered by Britain and the United States when they attempted to resolve their many differences over China and Korea. It is hardly coincidental that the 'successes' for both nations occurred when each government could adopt a largely unilateral approach, both in its dealings with its client and outside governments, while the 'failures' resulted from a constant, almost daily, set of bruising circumstances where each nation needed the other but found the solution of their respective differences almost at times impossible. Hong Kong, it will be suggested, falls into neither the Japan/Malaya nor the China/Korea category.

Events in post-1945 Hong Kong serve as a reminder of the close linkage between China questions, the war in Korea and, though this can be overlooked, the full range of treaties associated with the Japanese peace settlements, as defined in Dulles' letter to Truman of October 1951. Hong Kong both needed the support of the United States for regional security and trade firmly established through the San Francisco settlements and yet suffered greatly from American policies towards the People's Republic of China during the Korean War and in the ensuing decades of the Cold War in Asia. The end result was that Hong Kong's history was considerably more influenced by the actions of successive administrations in Washington than some

accounts of the territory's rebirth and later achievements may have suggested.¹¹ Explanations for first the survival and then the growth of Hong Kong must confront not only the respective policies of the British and Hong Kong governments, but also the behaviour of the United States, China and Japan. Constant attention to domestic economics without some note of international relations will result in a lop-sided story for post-war Hong Kong, much as it does for those once heroic accounts of Japan's rise to economic greatness.

From the outset Hong Kong needed the United States. The reestablishment of the territory as a British possession would have been all but impossible if the Truman administration had objected strongly to the initial British moves in August 1945. The White House's ruling that British personnel could accept the surrender of Imperial Japanese forces in Hong Kong, despite the vigorous objections of Chiang Kai-Shek, suggested that Truman was more sympathetic than his predecessor to the return of the European powers to the region. American cordiality continued as the territory began its reconstruction era. General MacArthur, for example, assisted in encouraging trade between Japan and Hong Kong and the colony helped itself through the activities of a small staff attached to the British mission in Tokyo. These commercial opportunities, however, were followed in the late 1940s by far more important and potentially damaging American policies towards the emergence of the People's Republic of China. Hong Kong was once again a subject of cabinet discussion, Chiefs of Staff meetings, Anglo-American debate and substantial research by the National Security Council in Washington. The future of the territory was once again viewed as highly uncertain. Parallels began to be drawn between December 1941 and 1949. Anxieties focussed both on the possibility of direct military invasion by the PLA and the equally dire possibility of internal subversion and mass demonstration that could bring the colony to its knees without the necessity of Chinese troop deployments.

The prospects facing Hong Kong, already being placed under considerable social pressure from the influx of Chinese refugees fleeing from the north, played some considerable part in the Attlee government's decision to recognize the PRC. Although Secretary Bevin put a brave face on the difficulties that confronted Hong Kong in his reply to the United States that 'the authorities in Hong Kong were now confident of their ability to face armed aggression, economic blockade or subversive activities from within', the Truman administration was not persuaded. Reports to the

National Security Council in July and October 1949 tell a very different story. The Joint Chiefs of Staff warned in the summer that 'it would be unwise for the United States to contribute forces for the defense of Hong Kong and Macao unless we are willing to risk major military involvement in China and possibly global war'.¹² Detailed examination led the military to reckon with seven possible courses of action, varying from the wish 'to combine with the British, if they so request, in contributing to the defenses of Hong Kong' to the preferred option of maintaining 'a passive wait-and-see attitude'.¹³ Secretary of State Acheson reported to the NSC two months later that the American government had been careful throughout discussions with London to avoid even the slightest hint of US military support for the defence of the territory. Hong Kong might have the consolation of 'moral support in the event of an unprovoked military attack on Hong Kong by the Chinese Communists and that in this circumstances the U.S. would support an appeal to the United Nations' but this, of course, was of little practical value.¹⁴

The British political position was further undermined by the State Department memorandum on 'British views respecting Hong Kong' that was distributed to the NSC on 27 September 1949. In an important statement that greatly weakens the frequently maintained assumption that the cabinet wished to recognize Beijing in order to safeguard its rule in Hong Kong, Bevin was reported as saying:

'The British Government would be willing to discuss the status of Hong Kong only with a united, stable, and friendly Chinese government. It does not expect to discuss the matter with the Chinese Communist government, which may be presumed shortly to be established, as it does not consider that such government would be friendly to Great Britain even though it might subsequently be recognized by Great Britain. The legal position of the Hong Kong leased territory is unassailable until 1997, when the leases expire'.¹⁵

Bevin's reading to Acheson in September 1949 of his opinion that 'we intend to remain in Hong Kong', at least until 'a friendly and stable Government of a unified China' comes into being hardly accords with the assumption that the cabinet calculated that an early recognition of Beijing might offer immediate protection for the territory. Bevin's almost Churchillian defiance was apparently merely met with the bland remark by Acheson that 'this seemed sound and reasonable'.¹⁶ Yet, assuming that Bevin's statement was something considerably more than simply the bravado implicit in Hemingway's posthumous 'True at First Light' title, this would appear to limit any cabinet expectations of even medium-term reconciliation with Beijing. The

foreign secretary had argued both for the recognition of the PRC and still cautioned against anticipating any prospect of this providing much tangible relief for Hong Kong from such diplomacy.

London would have been further concerned for the safety of Hong Kong if it had learned of the deliberations of the National Security Council in mid-October 1949. The body was told starkly by the Secretary of Defense, on the advice of the Joint Chiefs of Staff, that Hong Kong would not receive US military assistance in the event of border incursions and that furthermore any recourse to the United Nations by London would be of little use, since, despite Article 42 of the Charter, 'there being no United Nations security forces'.¹⁷ Nine months later and Washington would suddenly find itself interpreting international law with regard to the Korean peninsula in a decidedly different manner when the familiar 'horses for courses' rubric came into play. Washington's senior planners had categorically ruled out support for the British, if called upon to contribute to any defense of Hong Kong; nor, incidentally, was the Commonwealth any more forthcoming when Australia, New Zealand and Canada were sounded out by British officials. The Canadian prime minister was reported to have responded in disbelief at the anachronistic thinking of the Attlee government over its attempts to persuade other friendly powers to rush to the possible defense of its territory. Given the experience of Canadian troops in the days prior to the surrender of Hong Kong in December 1941, it would have been political dynamite to even consider support for any such action by Ottawa.

Secretary of Defense Louis Johnson announced that, 'While little surprise would be felt if the Chinese Communists did not take any military action against the British in Hong Kong, there are grave doubts that the Colony could withstand determined Communist attacks there over any considerable period of time, or even a Chinese Communist boycott or blockade which effectively denied entry of necessary subsistence'.¹⁸ It is particularly ironic that the nation that would shortly impose such a trade embargo against the territory should in fact be the United States. In the difficult months that lay immediately ahead, it would be Washington rather than Beijing that almost brought Hong Kong to its knees through the imposition of the type of measures that in the autumn of 1949 it reckoned were the characteristic ploys of Communist states.

The British position over Hong Kong was decidedly weak once the People's Republic of China came to power. Although memoranda in London repeatedly stated that the new government in Beijing had more pressing issues of reconstruction and reformation to tackle than concern itself with the capitalist bunion on the south China coast, this was surely little but an oft-repeated article of faith by the British and Hong Kong authorities. Confirmation of British anxieties was seen by the decision of the cabinet to order the despatch of reinforcements to beef up the garrison to a level that was held to deter the PLA but not to boost strength to the extent that it might provoke a direct Chinese response. Such calibration was altered almost immediately afterwards, however, by the decision of the Attlee government to commit British forces to northeast Asia in the opening days of what would become the long and bloody war in Korea.

Even prior to June 1950, Hong Kong faced innumerable difficulties to the extent that its post-liberation era might be defined as 'defensive' imperialism. The military garrison, as we have seen, was rarely up to strength, its economic reconstruction was far from assured, Governor Grantham had vetoed attempted reforms of its thoroughly 19th century political arrangement¹⁹ and the advent of the People's Republic of China on its vulnerable land and sea borders only added to this very obvious sense of uncertainty. While the expatriate-led administration could justifiably argue that the territory had demonstrated greater recuperative strengths than its many left-wing critics maintained, there was a limit to what these officials could do in the face of a new China and massive regional tensions.

The twin keys to Hong Kong's survival as a foreign enclave, where virtually the entire population was composed of disenfranchised Chinese, had to be security from outside forces and an opportunity to trade with the minimum of regional restrictions. From 1949 through the early 1950s, Hong Kong was a territory under siege. In the months immediately prior to the advent of the PRC, the colony's Department of Supplies, Trade and Industry had had to admit that the 'whole question of rice importation and distribution is extremely difficult in present uncertain circumstances'.²⁰ Rationing was in force and fuel was hard to come by, though, as might have been anticipated from a long-established and experienced entrepot, there was a vigorous black market in scarce consumer goods and pharmaceuticals that enabled the wealthy and unscrupulous to avoid overmuch disruption to their daily livelihood. Yet once the Korean War had begun, Hong Kong found itself being

squeezed through trade embargoes demanded of it by a vocal United States and a rather more reluctant Britain. Washington insisted that all attempts be made by the Hong Kong authorities and their masters in Whitehall to cut off the importation of strategic goods intended for transshipment to China proper. The suspicion, however, quickly grew in the United States that the territory was less than efficient in operating measures that had been agreed to by both the American and British governments with the result that influential voices claimed that Hong Kong's disloyalty was highly damaging to the United Nations' war effort in Korea.

The problem had already been noted in general terms in perceptive CIA reportage on the review of the world situation in the days immediately following Mao's accession to power in October 1949. When it came to analysing the position of China, the very first problem to be identified was the divergence of opinion within the 'nations of the North Atlantic Community' over 'the best course to follow in regard to recognizing the new regime'. The CIA noted that, although 'for the present the UK appears willing to follow the lead of the United States, extensive UK economic interests are pressing for de facto recognition and restricted trade'.²¹ Clearly all parties understood that any future diplomatic recognition was intended to promote trading relationships and that it was equally obvious by October 1949 that the US government would have to pay a considerable price for its presumed policies of ignoring Beijing and supporting Taipei. Opposition from Britain was merely the beginning of Washington's difficulties, where it was felt that to enforce what was termed an American 'policy of non-friendship' towards the new regime in China, in concert with smaller, non-Communist states in the region, would necessarily require 'assurances of protection by larger powers, preferably by the US'.²² Such statements strongly suggest that the erection of what would become known as the off-shore security structure initialled at San Francisco was undoubtedly under active consideration two years earlier.

In the few, short months between the birth of the PRC and the beginnings of conflict in Korea, it is apparent that the higher echelons of the United States government were taking steps to review what the National Security Council in April 1950 defined as 'the present world crisis'. In an analysis that would be ordered declassified by Henry Kissinger in 1975, the background paper noted that the Russian and Chinese revolutions had been of 'extreme scope and intensity' and that with the recent decline of the British and French empires 'power has increasingly gravitated' to the

United States and the Soviet Union.²³ These developments were seen to have smashed the Euro-centric balance of power system, 'over which no state was able to achieve hegemony', and replaced it with a bipolar world that risked 'the ever-present possibility of annihilation'. Washington planners feared the enhanced strength of the USSR and its new -found Chinese ally to the extent that it was concerned that 'no coalition adequate to confront the Kremlin with greater strength could be assembled'. The National Security Council's authors warned that 'the issues that face us are momentous', and might involve the destruction 'not only of this Republic but of civilization itself'.²⁴ Terminology of this nature may perhaps have worked its spell on Samuel Huntington and his prose.

Such apocalyptic writings prior to the outbreak of the Korean War are a reminder of the huge gulf in perceptions that divided the United States from its major ally on the politics of east Asia. While the NSC spoke of Moscow's 'new fanatic faith' that 'seeks to impose its absolute authority' over the rest of mankind, the British government argued that open, equitable dealings with Beijing might prevent the establishment of a true Sino-Soviet alliance and have the potential to prepare the way for a future fracturing of relations between what the United States planners depicted as two twin anti-Christ's. Clearly there was little that the authorities in London, to say nothing of their counterparts in Hong Kong, could do but attempt to shelter from the storms associated with a contest of this magnitude. Once individuals in the United States saw the advent of Mao Tse-tung and the war in Korea as part of a contest for global domination that had to result in a resounding American victory over the forces of darkness, it would be enormously difficult for outsiders to make substantial headway.

Throughout the early 1950s there were major setbacks for London in much of its dealings with the region. Although the Attlee cabinet had disregarded the views of the United States and moved rapidly to recognize the People's Republic of China, the anticipated dividends simply did not accrue. Beijing reckoned that Britain was still too close an ally of the US and complained that over issues such as the transfer of the KMT's seat at the United Nations to the PRC it was not receiving the support that it felt entitled to expect. Equally, the expectation that there might also be assurances from the PRC over the fate of British personnel and their commercial interests was unforthcoming from the new Chinese government. The fact that the PRC may have had a legitimate grievance over the decision of the Hong Kong courts, under pressure from the United States, to hand over to Taipei the ownership of civil aircraft

impounded in the territory that were claimed by both Chinas only worsened Sino-British contacts.²⁵ The imposition of heavy taxation, special levies and the threat of expropriation of the sizeable British financial and trading concerns still attempting to do business²⁶ were hardly the consequences that the cabinet had envisaged when it moved to recognize the PRC in January 1950. Evidence that Britain's determination to maintain 'a foot in the door'²⁷ could work both to the advantage of London and Washington by countering the Sino-Soviet alliance is decidedly hard to find. Breaking ranks with Washington had not led to any easier dealings with Beijing. Sir Esler Denning, the ambassador-designate, for example, failed to be granted a visa by the PRC in the summer of 1950 and was obliged to cancel his proposed secret visit to China, which was intended to tackle the log jam of problems. For the next years the British bid to establish full Sino-British diplomatic relations remained 'a policy unrealized'.²⁸

Worse was to follow for Hong Kong once the PRC intervened in the Korean war in the autumn of 1950. While it could be argued that the fact that the PLA was committed to a major offensive on the Korean peninsula reduced the immediate threat to the security of Hong Kong, the imposition of substantial trade restrictions simply replaced one difficulty with another. Official statistics tell part of the story. Hong Kong's own Department of Commerce and Industry calculated that by the end of 1952 there had been an extraordinary reduction in trade when compared with the previous year. Imports were now down by 22.4% and exports by 34.6%²⁹ For a small, vulnerable territory almost bereft of domestically grown or reared food and with only a rudimentary light manufacturing base, this was a threat to Hong Kong's very existence. Since unfettered trade had been the rationale for the colony since its inception and the local government had traditionally avoided interference in such matters, the consequences were highly disturbing.

The Truman administration fully understood the importance of gaining tight export controls on Hong Kong. The British government, while obviously wishing to assist its territory, was obliged to balance its support for Hong Kong against wider Anglo-American priorities. Top secret (and still partly classified) National Security Council reports in November 1952 noted both 'the British colony of Hong Kong and the Portuguese colony of Macao have been economically useful to Communist China as sources of Western goods. Although this usefulness to their present status does not appear sufficient to insure the safety of either colony, the Peiping regime has as yet

given no indication that it intends to seize them in the near future. Hong Kong's trade and exposed position undoubtedly exert an inhibiting influence on UK policy toward Communist China'.³⁰ The NSC acknowledged that Hong Kong's trade had clearly declined since mid-1951, and, while attributing this fall, in part, 'to the imposition of export controls', sensed also that the Chinese authorities had 'on their own initiative' reduced purchases.³¹ American disappointment at the prevalence of smuggling between Hong Kong, Macao and the mainland certainly contributed to the 'hard-line' approach adopted by US planners. Specific policies were approved over licensing toward Hong Kong and Macao in February 1952 that, seemingly without much consultation with the British side, since London is not even mentioned in the report to President Truman, intended to limit US exports. The NSC ordered that all but 'essential minimum short-term requirements for local consumption and for the continuation by Hong Kong of mutually beneficial transshipment or resale of United States commodities to non-Soviet bloc areas' be forbidden.³² Categories of rated items were then drawn up in Washington, though US consular officials in the territory cautioned against automatically assuming that the Hong Kong authorities were in a position to enforce compliance. What is evident is that the American administration had no particular sympathy for Hong Kong and remained suspicious that the territory was a weak link in the US ring fence that was intended to severely restrict the acquisition of strategic goods by its Asian foe.

Hong Kong's predicament was more influenced by the British government's recognition of the PRC and the fighting in Korea than by the specific details of the San Francisco peace treaty. Although some have claimed to see singular achievements, the underlying balance sheet records few British successes in east Asia during the period between 1949 and 1953. Secretary Bevin's attempt to display an independent policy towards Beijing must be judged a failure in that it managed both to antagonize the United States, while unable to achieve its stated goal of establishing a more cordial environment for Sino-British relations. Any hopes of rapprochement with the new China effectively disappeared for the next half decade once Chinese intervention in the Korean War had led to huge casualties and immense bitterness on both sides.³³ Yet Truman's decision to deploy the Seventh Fleet in the Taiwan straits in order to separate the PRC from Taiwan, contributed, paradoxically, to the external protection of Hong Kong, since the new commitments made by the United States with regard to the defense of Taiwan acted to deter

Chinese moves along its southern borders. The Chiefs of Staff, concerned about the thinness of British cover in the middle east and Europe after the Korean War had begun, looked long and hard at Hong Kong's position without being able to do much to support the view that the territory represented 'a Berlin' in east Asia that should not be permitted to fall.³⁴ The military planners also equivocated over the fate of Taiwan in the case of an invasion of the island, preferring to stand aside and concerned at the impact that American military action might pose for Hong Kong itself.³⁵ Truman's orders to the Seventh Fleet to patrol the Taiwan straits were a godsend not just for the KMT leadership but also for the Chiefs of Staff. The simultaneous imposition, however, of export controls on a Hong Kong long accustomed to the lax, Victorian world of laissez faire, was highly damaging to its trading position. The territory suffered both materially and in terms of overall morale.

Yet the signing of the Japanese peace settlements offered some consolation to the territory amidst the doom and gloom of trade embargoes and the fear, whether justified or not, of potential invasion from the north for the second time in a decade. Indeed, what mattered most for Hong Kong was, in essence, what was left out at San Francisco. Despite pleas from some quarters in Britain and the Commonwealth, the Japanese peace treaty very largely ignored pleas for trade restraints and commercial restrictions. Hong Kong benefited from the absence of what voices in the Board of Trade and the Ministry of Transport were pressing on the cabinet until the last minute. Herbert Morrison, to give him some credit, did pointedly ask the minister of transport in late June 1951 if his attempt to support the British shipping industry 'should be made a breaking point on the whole Treaty'.³⁶ Esler Denning warned Clutton in Tokyo that 'our main troubles with Japan after the treaty comes into force are going to be in the economic field. There can be no doubt that Japanese economic competition is going to present a very serious problem, and that the interests concerned here are very worried about it'.³⁷ It was Clutton incidentally, who defined Yoshida as an old man leading a poor country, though this particular old man would live on to witness the most rapid development of any major economic state in human history. Yet the fact remains that these complaints from traditional manufacturing sectors were not permitted to determine the cabinet's position that had been set out at extreme length in December 1950. The basic point made then was that the government's aim 'should be to secure a treaty which will permit the development of a peace-loving Japan with a viable economy'.³⁸ The explanation for

the rejection of controls on Japanese industries such as textiles, pottery and its shipbuilding capacity was, at heart, the need to be seen to be co-operating with the United States. For that reason the expectations voiced at the Canberra Commonwealth conference of 1947 on the limiting certain war-potential industries had to be abandoned. The Foreign Office's background paper to the cabinet acknowledged that 'in view of our own weakness' it was necessary 'to accept the United States Government's judgement on Far Eastern security'.³⁹ It followed, of course, that the Truman administration could largely get its way over economic clauses to the peace treaty. The cabinet was, therefore, told that 'the United States Government did not favour the prohibition by the Peace Treaty of war industries in Japan since they had been largely destroyed', and Washington was 'unlikely to favour control of Japan's war supporting industries (which were essential to her peace-time economy) or of Japanese emigration'.⁴⁰

Hong Kong thus gained through the failure of some quarters to temper Japanese reconstruction. The territory, in fact, along with all other British Asian possessions, had long needed close economic ties with Tokyo. While public opinion in Hong Kong, Malaya and Borneo was in no mood to forgive or forget Japanese wartime behaviour and, unfortunately, there was to be no compensation or reparations payable for the Japanese occupation of the region, the colonial authorities had worked quietly and successfully to encourage trade and investment from Japan.⁴¹ It was widely recognized in the Colonial Office that there was simply little alternative to the pursuit of such policies, since no other nation, certainly not Britain, could provide the range of consumer goods at the appropriate pricing that were required to get the Asian economies going again.

If Hong Kong might be said to have been let off the hook by the United States' ruling that Japan be granted a liberal peace, there remained considerable anxiety among its officials and business leaders over the international politics of the region. Here, as noted earlier, there was little or nothing that the territory could do beyond demonstrating its commercial, financial and industrial competence to each and every individual or government that wished to use Hong Kong's services. The territory trusted that regardless of the Cold War in east Asia and the enforcement of trade embargoes, there might still be opportunities for Hong Kong to prove itself. Much of its manufacturing and financial expertise had after all arrived in the colony after decamping from Shanghai in 1949 and would quickly thrive anew in its hospitable

enterprise culture. Yet the territory was obviously unable to influence American policies more than marginally, though it was shrewd enough to encourage the US Seventh Fleet to use its anchorage and to permit a large-range of US intelligence operations that ranged from consular staff on China watch to more clandestine activities associated with giving succour to KMT elements intent on landing on the shores of southern China.

The territory's weaknesses mirrored those exhibited on a far larger scale by Britain itself. Over the troika of issues suggested at the outset, it is difficult not to see a general pattern of declining British influence during the years of near constant Anglo-American tension from 1949 to 1953. The Fifties proved to be the final decade of British power in the Asia-Pacific and once Malaya had been granted its independence in 1957 there remained little more than the stewardship of Hong Kong in Britain's keeping. The anger shown by many on the right in the United States at British meddling in the Korean War and the corresponding delight at the lack of response by Beijing to the recognition of the new China, the publication of the Yoshida letter to satisfy senatorial opinion and failure to widen the ANZUS treaty remain, perhaps, the most noteworthy of British disappointments. The Japanese peace treaty granted to a somewhat unappreciative Japan its re-entry into international society along American lines, while the associated security pact and administrative agreements gave Washington precisely the basing agreements that it had aspired to in the lengthy negotiations with Ambassador Dulles to ensure that the Pacific remained an American lake. Instead of the emergence of a newly sovereign Japan with, as London had hoped, its own policies towards the PRC and more open to British influences, San Francisco confirmed the basic directions of the occupation era. Yoshida liked to joke that SCAP's GHQ stood for 'go home quickly' but, of course, the GIs have stayed on in sizeable numbers and Japan's foreign policy has exhibited far less of the independence and initiative that Britain had anticipated in 1951. The San Francisco settlements were made very largely in the USA and form the beginnings of a close US-Japan partnership that worked rapidly to elbow aside all other Western claimants. These American-designed peace and security arrangements have endured for half a century both to confound the critics and justify today's celebrations.

Endnotes

¹ Eisenhower letter to Churchill, 29 March 1955, Foreign Relations of the United States, 1955-1957, vol ii, China, p. 418. Eisenhower also promptly added: 'I know that you could make the same observations regarding us; possibly this fact troubles you and your associates just as much as it does us'.

² See, for example, Truman papers, Official File, Boxes 757 and 759, Truman Library, Independence, Mo.

³ Truman attempted to keep abreast of this huge postbag. His distinctive style when responding to critics is much in evidence.

⁴ China questions form the largest segment of this correspondence.

⁵ Franks correspondence with author.

⁶ See Buckley, *Occupation Diplomacy: Britain, the United States and Japan, 1945-1952* (Cambridge, 1982) and 'Joining the Club: the Japanese Question and Anglo-American Peace Diplomacy, 1950-1951', *Modern Asian Studies*, 19, 2 (1985) Also Peter Lowe 'Herbert Morrison, the Labour Government, and the Japanese Peace Treaty, 1951' in *Britain, the United States and Japan's Return to Normal, 1951-1972* (STICERD, LSE, March 1993).

⁷ See Buckley 'Gambling on Japan: the British Press and the San Francisco Settlements, 1950-1952', *Bulletin of the Graduate School of International Relations, International University of Japan*, no 2 (December, 1984).

⁸ Dulles to MacArthur, following private talks with FEC members, 15 November 1950, Dulles Papers, Princeton.

⁹ Dulles to Truman, 3 October 1951 (Press Release), Box 686, Truman papers. Technically Dulles ended his duties with his letter of 1 March 1952, when he stated that 'ratification of the Japanese Peace Treaty and the three Pacific Security Treaties which you commissioned me to negotiate' had been completed. See Dulles to Truman, 21 March 1952, Box 686, OF/197 (Misc), Truman papers.

¹⁰ *Ibid.*

¹¹ Some versions of events may have possibly over-emphasized the extent of US security commitments to Hong Kong. From the 1940s through the 1960s the US evidence strongly suggests that no American administration was prepared to volunteer assistance in the event of a military crisis. SEATO was designed to exclude Hong Kong. For the State Department position as understood in the 1960s, see Foreign Relations of the United States, vol xxx, China, 1964-68, p. 56. Among the many works that examine Hong Kong's international position see Qiang Zhai, *The Dragon, the Lion, and the Eagle: Chinese, British, American Relations, 1949-1958* (Kent, Ohio, 1994) and James Tuck-Hong Tang, *Britain's Encounter with Revolutionary China, 1949-54* (Basingstoke, 1992).

¹² Secretary of Defense 'A report to the NSC on British views respecting Hong Kong', 17 October 1949, NSC 55/2 in PSF NSC Meeting, 26 July 1949, Box 206, Truman papers.

¹³ Secretary of Defense to NSC on 'Implications of a possible Chinese Communist attack on foreign colonies in South China'.

¹⁴ Ibid.

¹⁵ Report of Bevin-Acheson meeting of 13 September 1949, contained in Acting Secretary of State to NSC on 'British Views Respecting Hong Kong', PSF NSC 55/1, Box 206 Truman papers.

¹⁶ Ibid.

¹⁷ Secretary of Defense Memorandum for the Executive Secretary, NSC, 17 October 1949, NSC/2.

¹⁸ *ibid*, reporting comments of NSC mtg of 27 September 1949.

¹⁹ See Steve Tsang, *Democracy Shelved : Great Britain, China and Attempts at Constitutional Reform in Hong Kong, 1945-1952* (Hong Kong, 1988).

²⁰ Report by Acting Director, Department of Supplies, Trade and Industry, monthly report, December 1948, Hong Kong Record Service, No 170, D & S No 1/551(1). Over the position of the return of Hong Kong documents to the Public Record Office, I am grateful for information from Dr Edgar Flaker, archivist, PRO, Kew. It is my understanding that responsibility for all Hong Kong Public Records Office files rests with the Foreign Office and that a considerable amount of material has yet to be released.

²¹ CIA 'Report on the World Situation', 19 October 1949, NSC Mtg 47, 16 October 1949, PSF Box 206.

²² Ibid.

²³ NSC/Discussion, 20 April 1950, PF mtg 55, Box 20.

²⁴ Ibid.

²⁵ For a summary of this highly complicated saga see Peter Lowe, *Containing the Cold War in Asia* (Manchester, 1996).

²⁶ The situation had been difficult enough under the KMT and worsened after 1949 once the PRC had been established.

²⁷ 9 December 1949, CAB(49)299.

²⁸ See chapter seven, Zhong-ping Feng, *The British Government's China Policy, 1945-1950* (Keele, Staffordshire, 1994).

²⁹ Trade report by Director, Department of Commerce and Industry for December 1952, HKRS No 170, D & S No 1/554(3).

³⁰ NSC report on Hong Kong and Macao' (top secret), 1 November 1952. Hong Kong was estimated to face 60,000 PLA troops plus 150,000 'in nearby areas'. Macao appears to have been criticized more than Hong Kong over smuggling activities.

³¹ Ibid.

³² NSC to President on 'United States Export Licensing Policy toward Hong Kong and Macao', 6 February 1952, NSC 122/1.

³³ The Chiefs of Staff described Britain's secondary role as that of tagging along behind Washington. Major strategic decisions, inevitably given such unequal troop numbers, were largely an American responsibility.

³⁴ The original author of the highly astute phrase asserting that Hong Kong represented a 'Berlin in Asia' is unknown.

³⁵ As early as 27 July 1950 COS members noted 'we had been against sending land forces to Korea, we had been obliged to succumb to political pressure to send them and it might be that the same situation would be repeated over Formosa'. COS (50) 117 Mtg.

³⁶ Secretary Morrison comments in meeting at House of Commons, 20 June 1951, in FJ 1022/632(FO371/92560).

³⁷ Dening to Clutton, 28 June 1951, FJ1022/642(FO371/62560). Dening also warned that Britain was 'not, so to speak, Japan-conscious'. George Clutton was acting head of the UK Liaison Mission in Tokyo.

³⁸ C.P. (50) 323, 19 December 1950, memorandum by Bevin.

³⁹ Annex A 'Background Paper' to Bevin memorandum, *ibid*.

⁴⁰ (*ibid*) It should be noted that the Foreign Office annex concluded with the statement: 'It is desirable that at an appropriate stage, before a formal Peace Conference is called, an invitation to take part in the Peace Treaty negotiations should be extended to the Central People's Government of China. An approach in this sense to the United States Government at present would be inopportune, but the importance of doing so in the future should be borne in mind'.

⁴¹ See Junko Tomaru, *The Postwar Rapprochement of Malaya and Japan, 1945-61: The Roles of Britain and Japan in South-East Asia* (Basingstoke, 2000).

YOSHIDA'S IDEAS ON CHINA AFTER THE DULLES-MORRISON AGREEMENT AND ITS RELEVANCE FOR ANGLO-JAPANESE RELATIONS

Valdo Ferretti

From the time that Yoshida Shigeru was ambassador to London before the Pacific War his view of China was closely linked to his inclination to orientate Japanese foreign policy according to economic goals and to promote collaboration with the Anglo-Saxon powers. Yoshida had a China-first approach to international matters, which basically understood his tendency to act with Britain as far as Japanese financial and commercial penetration on the Asian continent was concerned¹. Such outlook, concentrated as it was on the 'prosperity of China', seemed to be close to the moderate wing of the ruling class, represented by business spokesmen like Yuki Toyotaro and Ikeda Shigeaki¹, but differed from the pro-western faction of the Foreign Ministry as the latter's attention was mainly directed at Europe. This position may explain Yoshida's welcome to the Munich conference of 1938², which led him to think that if British appeasement policy had led to a settlement with Germany, it could smooth frictions with Japan as well, or his China centred reaction to the extension of the Anti-Comintern Pact to Italy in 1937, when he confessed to his father-in-law Makino Nobuaki his fear that Anglo-Chinese economic cooperation could now be directed against Japan³.

After the communist take-over in 1949 and China's involvement in the Korean War, Yoshida had to face a difficult course when Japan was led by the United States to participate in the blockade of the PRC. Also the loss of the Chinese market could jeopardize one of his principal aims, the economic recovery of Japan, while the general perspective of the Prime Minister did not even take into consideration renouncing the western alliance.

It is well known that after Yoshida became the Prime Minister of Japan in 1948, he tried to escape the dilemma, trying to play on the cleavage between British and American policies, on the eve of the so-called Dulles-Morrison agreement⁴. At the time of the peace conference London intended to protect its own interests in East Asia by appeasing China (to which diplomatic recognition had been granted at the

beginning of 1950) in the hope of restraining the Chinese leaders from Mao's 'lean to the one side' policy towards the Soviet Union⁵. Once he was left free to recognize the Beijing Government, as Britain had done, and to sign the peace treaty with it, Yoshida sensed that Japanese trade with the continent might begin again. It goes without saying that such a design was doomed to failure because of American pressure, somehow inspired by Taiwan itself⁶. In any case, as a British Foreign Office minute read ,

'it would[.....]be unrealistic to suppose that Japanese trade with China could be restored to the scale of the late '30s [.....].She now has to deal with a China which is not only independent of her, but also determined to get rid of its "colonial" economic status by a process of industrialization'⁷.

Therefore the economic development of Japan had in any case to depend on other markets, which were actually focused on South and Southeast Asia, belonging to countries still subject to colonial rule or who had recently achieved independence often within the frame of the British Commonwealth. Opening the latter to the Rising Sun's trade and investments had to be tinged with political colours and implied once more some kind of entente with Britain which still exerted an important role in that area⁸. Thus Tokyo relations with China and the United Kingdom became issues related to Japanese economic expansion toward South and Southeast Asia. As a *Gaimusho* paper later observed, Britain was trying to get closer to PRC by making use of trade, bringing about China's insertion into international society and determining in the long run the latter's admission to the United Nations. According to this document the Chinese threat to Japan would also fade in that way. As a consequence for Japan trying rapprochement to communist China⁹ was ultimately considered convenient. This scenario made topical the standing Yoshida had held vis-à-vis the Dulles-Morrison agreement in the years after 1951.

Such a perspective was implicit in the ill-fated *Marshall Plan for the Far East*, proposed by Yoshida in the United States in November 1954 at the end of a long official journey to Canada and the principal European countries¹⁰, which was his last diplomatic initiative as Premier .It probably represented the most comprehensive project outlining a general programme for Japanese foreign policy after the Second

World War, thus allowing us to see it as the culmination of other initiatives sketched after the return of Japan to full independence.

The contents of the 'Marshall Plan for the Far East' are well known. It will suffice to remember here that its gist was to create a capital fund, provided by the United Kingdom, the United States and Japan in order to foster the economic development of South-east Asia and to check the spread of communism. The growth of South-east Asia was supposed to keep the region in the western political area and to ease the development of Japan. Yoshida thought of an authority designed to administer the plan, to head which he suggested the British High Commissioner to South East Asia, Sir Malcolm MacDonald .

The choice of Macdonald has not merited much attention however among scholars, who have been satisfied in general with the statement made in the Yoshida memoirs that the Japanese Prime Minister had known him since the 1930s and highly esteemed or liked the Scottish diplomat¹¹. Scarce or no interest has been shown in Macdonald's views on Japan's commerce with China, containment vis-à-vis the PRC, communism etc., which largely coincided with Yoshida's notions. Even less attention has been paid to the fact that he was the first western politician to visit Japan after the San Francisco peace treaty and that it constituted an occasion for an exchange of views with Yoshida, in which the British ambassador to Tokyo, Sir Esler Dening, a protagonist of the Dulles-Morrison agreement, also took part.

Since 1949¹², before the Korean War, MacDonald and Dening had shown to share the opinion 'that there is no sign that the Chinese communists intend [.....] to carry their aggression over into the bordering territories', sharply distinguishing between the need to contain communism as such and the idea that danger coming from China represented only 'continued infiltration, subversion and propaganda'.

During MacDonald's visit to Japan in July 1952 he echoed Dening's views ¹³ that 'there was no future in Chiang Kai-shek' and that the red regime in China looked well established, though it was 'inimical to the free world'.

MacDonald in his report to the Secretary of State had stressed the opportunity to 'keep in office' Yoshida, whose influence, he wrote, 'is strongly pro-British'. He claimed, 'I doubt whether the condition of contentment which we desire in Japan can be maintained indefinitely unless there is a considerable measure of trade between Japan and China'. As to East Asia, he emphasized the opportunity to lead Japan to buy raw materials like iron or rubber from Malaya and from the sterling area. 'Any extension of trade which increases the standards of living and purchasing power will be a stimulus to a further expansion in international trade' he wrote, by stressing that the 'Chinese market [.....] is denied to them by the policy of the western democratic powers; and this argument will become an increasingly powerful weapon in the hands of the Communist if we cannot provide adequate substitute for the Chinese market'. Sir Malcolm supported the demands also, that he had already heard from Foreign Minister Okazaki and from Japanese businessmen, that Tokyo join the Colombo Plan¹⁴.

Two years later, on the eve of Yoshida's voyage, all the subjects touched on in MacDonald's report were still relevant, but the geopolitical framework had changed. The Korean war had ended and the Geneva conference on Indochina had marked the resurrection of China as a great power, who looked as if she accepted the rules of pacific coexistence and was able to play an independent diplomatic role. It is still difficult to focus on how Japanese diplomacy reacted to such a new change of scenario, but Japanese observers probably realized that Beijing was becoming a factor of stability in Asia and that, if not the USA, Britain had positively appreciated its role at the table of the conference¹⁵.

It seems reasonable to conclude that in 1954 Yoshida could look at MacDonald as at a trustworthy champion of the terms on which he intended to revive a special relationship with the United Kingdom. At that time anti-Japanese feelings were strong at the peak of the British Government¹⁶, but MacDonald probably impressed Yoshida for his closeness of views to Denning. The Japanese Prime Minister may have seen MacDonald's attitude as promising in the light of his project to bring to life again the Anglo-Japanese alliance, his nostalgia for which he did not conceal later in London with British ministers and officials¹⁷.

Nevertheless in respect to the time of the Dulles-Morrison agreement, the project of 'Marshall Plan for the Far East' presented at least one apparent diversity: the lack of properly political clauses like the diplomatic recognition of PRC or an explicit mention of the problem of China's admission to the United Nations. It goes without saying that if such a scheme might be detected in Yoshida's intentions, we could catch in his designs an attempt at mitigating the American attitude towards China by playing on similarities between Japanese and British schemes. Before showing that probably things stood like that, one may also note that in such a case one more reason could explain MacDonald's candidature, as the latter in the 1950s seems to have been a partisan of the recognition of the Beijing¹⁸ government from the western countries and ultimately a severe critic of the containment policies represented by SEATO¹⁹.

The contents of Yoshida's conversations with the European politicians during his travels of 1954 however are revealing about his attitude on the Chinese question. Matsui Akira, a high ranking official who accompanied the Prime Minister, in a short memoir which appeared in 1991²⁰, showed that the occasion when he opened his mind most was the interview he had in Rome, on October 18th, 1954 with the Italian premier Mario Scelba and the Foreign Minister, Gaetano Martino, though he touched on the matter more rapidly with other European leaders as well. Since then other sources on the same episode have been made available. The original documents on Yoshida's trip have been released at the *Gaimu Gaiko Shiryokan* in Tokyo and I myself found in the Historical Archive of the Italian Foreign Ministry a long handwritten minute, which from its rough draft, looks as if it were put down in writing during or immediately after the conversation itself²¹, perhaps by one of the two Italian officials (the General Director of Political Affairs Del Balzo and the ambassador to Tokyo D'Ajeta) who attended the meeting. It adds one interesting detail at least to the corresponding Japanese text, contained in a dispatch of twelve days later of the Japanese ambassador to Rome Harada Ken²².

Yoshida, whom the Italian politicians asked his opinion about the situation in the Far East and Chinese-Russian relations, claimed that the alliance between Russia and China intended to separate Japan from the United States. It was not solid however. 'The entente between Russia and China', he said, 'is far from complete [.....] as

long as Russia and China will be together the cold war will continue'. 'The Chinese', he allegedly stressed, 'feel themselves to be the pivot of the world, thus being led to xenophobia'²³. He stated that they did dislike unequal relationship with the Soviets and did not feel inferior to them. The Geneva conference had led Yoshida to doubt whether Russia supported China's début among the great powers and he suggested that by playing on the commercial interests of Communist China the western powers could try to detach Beijing from Moscow²⁴.

Yoshida also commented on the policies of the Anglo-Saxon powers vis-à-vis the PRC. According to the Japanese sources, he stressed that British and American policies were different because the USA wanted to encircle China, while the gist of British strategy was recognition. All testimonies report however, on his perception of that diversity, marking his claim that he was going to discuss this problem in Washington and London. Yoshida added he considered the English position a mistake as 'you can not collaborate with a communist government'. He remarked that Japanese recognition of the PRC was to be excluded also as long as Chinese propaganda was striving to influence and trouble Japanese public opinion. At the end of the conversation, Matsui reports that 'an exchange of opinions took place about the recognition of communist China, promotion of foreign trade and communist China's admission to the United Nations'²⁵.

The Italian premier observed that the contacts Yoshida looked for in London and Washington could be relevant to both Italy and Japan in connection with the issue of their own admission to the United Nations (a major one among the themes Yoshida wished to deal with in Rome, but where the standing of the Italians was opposite to his own). After Scelba asked to be informed about, and to get on with dialogue with, Japan in future, Yoshida replied promising to keep contact through the Italian embassy in Tokyo. Moreover the minute preserved in Rome adds at that point some lines absent in the Japanese texts. It reads :

'As to China he [Yoshida] wants to correct [his previous statements].May be it would be opportune if China took part in the United Nations.The standing of Japan is not negative.What is most important is to divide China from Russia'.

By these words it looked as if the Japanese Prime Minister went even beyond the pro-PRC attitude shown at the time of the Dulles-Morrison agreement, albeit showing that he continued to prefer the British to the American standing. His ultimate purpose was to break the Chinese-Soviet alliance and to establish again trade with his continental partner, not to isolate the PRC from the international community.

In October 1954 the *Asahi Shinbun* charged Yoshida with trying to build²⁶ an economic *entente* with the western powers by joining the Colombo Plan and flanking the defence structure of the Manila treaty (from which SEATO was derived). Moreover to hold such an opinion seems difficult to me today, as the South East Asia Treaty Organisation was pointing to China as an adversary, while for Yoshida it looked instead as if the true enemies were Russia and communism as a revolutionary movement, but not Beijing with which he intended to establish normal relations. He wished China and Russia would be separated and this was his principal problem. Probably not by chance, during the first stop of his 1954 trip he met MacDonald in Ottawa²⁷ late in September and Yoshida himself told Antony Eden that their conversation had centred on how to separate the two communist giants from each other²⁸.

If Yoshida thought of a front with London in order to influence the American standing on the Chinese issue, his approach with the British was to end in failure however, even before Dulles rejected the 'Plan' the following month²⁹. The atmosphere surrounding his visit to England mirrored the cool relations still existing between the two countries. On meeting the Secretary of State and other officials on October 27th, Yoshida stressed Japan's need for trade with China, laying emphasis on the fact that it was his aim 'to detach China from the Soviet Union'. Eden conceded that the hard commercial war waged by the western countries had made stronger the Soviet-Chinese alliance and that the bloc between the PRC and Russia would be weakened if trade with China were promoted. He firmly stated however that nothing could be done. He maintained that China had not aggressive intentions but explicitly asked Yoshida not to give the impression to the Americans that a common line existed between Britain and Japan.

Obstacles existed in Britain at that time, as the *Gaimusho* realized, to any attempt to revive a preferential axis between Japan and England, which were rooted in commercial differences³⁰. Specially there was the idea that Japan was the most dangerous rival to British trade in Asia³¹ and to the British textile industry, as resistance to accept the Rising Sun in Gatt³² or to a lesser extent in the Colombo Plan³³ was making clear.

These were the main reasons which made it difficult to revive the old Anglo-Japanese alliance in terms suitable to the 1950s. Objectively speaking, views on China on both sides coincided almost completely and both diplomacies wanted to stabilize the Far East by normalizing relations with the PRC. They both assumed that Communist China would probably respect the principles on pacific coexistence announced by Zhou Enlai before the Geneva conference on Indochina of 1954 and would also appreciate opportunities of trade with the west if it did not feel threatened. The task of splitting the alliance between Beijing and Moscow also looked an attainable goal to experts in both countries, though Yoshida appeared to be more optimistic than the British in this respect. More general factors however intermingled and the Japanese Prime Minister's dream waned for ever.

Endnotes

¹ Cfr. specially his letter, Yoshida Shigeru to Makino Nobuaki, 10/4/1937, in, Yoshida Shigeru Kinen Jigyo Zaidan (ed.), *Yoshida Shigeru Shokan*, Chuo Koronsha, Tokyo, 1994, pp.645-647. It is worth noting that in this letter Yoshida's fear of Chinese Communism was manifest already.

¹ Cfr. specially Matsuura Masataka, 'Nicchu Senso Shushu Kozo to Kachu Tsuka Kosaku', *Kokusai Seiji*, vol.97, May 1991, pp.103-118, and, from the same author, 'Saiko-Nicchu Senso Zenya- Chugoku Heisei Kaikaku to Kodama Hochudan o megutte', *Kokusai Seiji*, vol.122, September 1999, pp.151-161. For the activity of the above group another work of Matsuura Masataka is important as well, *Nicchu Sensoki ni Okeru Keizai to Seiji. Konoe Fumimaro to Ikeda Shigeaki*, Tokyo Daigaku Shuppankai, Tokyo,1995.

² Murashima Shigeru, 'Yoshida Shigeru Chu-Ei Taishi to Miunhen Kaidan', in Yoshida Shigeru Kinen Jigyo Zaidan (ed.), *Ningen Yoshida Shigeru*, Chuo Koronsha, Tokyo, 1991, pp.326-345.

³ Yoshida Shigeru to Makino Nobuaki, 21/9/1937, in, Yoshida Shigeru Kinen Jigyo Zaidan (ed.), *Yoshida Shigeru Shokan*, cit., pp.648-50.

⁴ Hosoya Chihiro, 'Japan, China, the United States and the United Kingdom,1951-1952. The Case of the Yoshida Letter', *International Affairs* (London) Spring 1984, pp.247-258.

⁵ P.Lowe, *Containing The Cold War In East Asia. British policies towards Japan, China and Korea,1948-53*, Manchester University Press, Manchester and New York, 1997, pp.99 ff.

⁶ Cf., Yin Yan-Jun, 'Yoshida Shokan to Taiwan', *Kokusai Seiji*, vol.110, April 1995, pp.175-188.

⁷ Minute of C.H.Johnston, 29/8/1952 , PRO FO371/956 FJ 1633/25/G.

⁸ Cf. Tanaka Takahiko, 'Anglo-Japanese Relations in the 1950s: Cooperation, Friction and the Search for State Identity', in, I.Nish and Yoichi Kibata (eds.), *The History of Anglo-Japanese Relations,1600-2000*, vol II, *The Political-Diplomatic Dimension, 1931-2000*, Macmillan, London, 2000, pp.201-234, sp.pp.206 ff.

⁹ *Eikoku Kankei / Chukyo Mondai, Gaimu Gaiko Shiryokan* (hereafter GSK), A.O.1.3.7-21.

¹⁰ For a recent appraisal taking account of new Japanese archival sources, Tanaka Takahiko, op.cit, pp.208-12.

¹¹ Yoshida Shigeru, *The Yoshida Memoirs, The Story of Japan in Crisis*, Houghton Mifflin Company, Boston, 1962, pp.103-4.

¹² High Commissioner in United Kingdom to Secretary of State for External Affairs, 22/12/1949, *Documents on Canadian External Relations*, vol. 15 , 1949, p.1390.

¹³ Denning to Eden, 10/7/1952, PRO FO 371/99506 FJ 1633/24.

¹⁴ See his *Note On Japan*, 26/7/1952, PRO FO371/99506.

¹⁵ Cfr. Zhai Qiang, 'China and the Geneva Conference of 1954', *The China Quarterly*, March 1992, n.129, pp.103-121.

¹⁶ H.Cortazzi, *Japan And Back And Places Elsewhere*, Global Oriental, Folkestone, Kent, 1998, p.76-77.

¹⁷Cfr. *Yoshida Sori Chaachiru Shusho no Bansankai Ensetsu Yoshi* , GSK, A'1.5.0.3.

¹⁸ Once more his standing looked close to that of Denning. Cfr. H.Cortazzi, op.cit, p.69.

¹⁹ C.Sanger, *Malcolm MacDonald. Bringing an End to Empire*, McGill-Queen's University Press, Montreal,1995, p.422.

²⁰ Matsui Akira, 'Obei Shokoku Rekiho no Ryo ni Zuihan shite', in, Yoshida Shigeru Kinen Jigyo Zaidan (ed.), *Ningen Yoshida Shigeru , cit.*, pp.554-71, sp.p.557.

²¹ This minute, which has no date or heading, is kept in, *ASMAE* (Archivio Storico del Ministero degli Affari Esteri, Roma) Affari Politici, 1954, b.1489.

²² Harada to Okazaki, 29/10/1954, GSK, A'1.5.0.3; Harada and Matsui attended the meeting.Matsui's memoir seems to me largely based on Harada's report. The name of the two Italian diplomats is also reported in this text. Another report which abridged the conversations is conserved in the same file. Harada to Okazaki, 22/10/1954.

²³ *idem*.

²⁴ Matsui Akira, 'Obei Shokoku....' cit., p.557.

²⁵*idem*.

²⁶ *Asahi Shinbun*, 7/10/1954, see the articles *Hankyo Keizai Taisei* and *Ryo Seato no Hokyo*.

²⁷ For preliminary correspondence between Yoshida and MacDonald, Yoshida to MacDonald, 4/8/1954 and MacDonald's reply of 30/8/1954, GSK A'1.5.0.3.

²⁸ It happened during his interview with the British S.o.S on 27/10/1954, Matsumoto to Okazaki , 30/10/1954, GSK, A'1.5.0.3.

²⁹ For related documents see, *Foreign Relations of the United States, 1952-54*, vol.XIV, Part.2.

³⁰ *Nichi-Ei Kankei Ni Tsuite*, 2/12/1954, GSK A'1.5.0.3.

³¹ J.T.Tang, *Britain's Encounter with Revolutionary China*, Macmillan, Basingstoke, 1992, p.184.

³² V.Ferretti, 'Japan's Admission to GATT(1951-55)', *International Studies*, IS/97/322, pp.33-49; P.Lowe, 'Uneasy Readjustment, 1945-58', in I.Nish (ed.), *The History of Anglo-Japanese Relations*, cit.pp.188-9,192ff.

³³ See V.Ferretti, 'The globalization process from South to East Asia and Japan's admission to the Colombo Plan in 1954', paper presented at the XIXth International Congress of Historical Studies, Oslo, 2000 (to be published on behalf of the Commission of the History of International Relations).

LOOK BACK IN FEAR: PERCY SPENDER, THE JAPANESE PEACE TREATY AND THE ANZUS PACT

Neville Meaney

Reflecting on the Japanese Peace Treaty it is remarkable, after a half century, how so much of the peace settlement is still in place and how many of the issues from that time still resonate throughout the region. The self-defence article 9 of the post-war constitution, under which Japan accepted restrictions on the use of its armed forces and thereby implicitly acknowledged its guilt, still remains intact. Japan continues to shelter under the umbrella of the American defence alliance which was brought into being at the same time as the peace treaty. Indeed the present American government, like John Foster Dulles when negotiating the terms of the treaty in January 1951, is pressing Japan to assume a larger share of the responsibility for protecting common interests in the region. Moreover its northeast Asian neighbours, most notably China and Korea, will not let Japan forget the war. They protest every effort of Japan to rewrite its history so as to explain away or play down the significance of its imperial past and wartime atrocities.

Australia's relationship with Japan, by contrast, has in the same period undergone a dramatic transformation. Australia was profoundly affected by the war. It felt the war, and I use the affective verb advisedly, in a very different way from the Americans. For the Americans the conflict, though it began with the humiliation of Pearl Harbour, ended in triumph, the dropping of the atomic bomb being the symbol of total victory. For the Australians, on the other hand, Japan's southward thrust to Australia's frontiers represented a threat to national survival, an Asian invasion adventitiously averted. Marked as it was by Japanese brutality and cruelty the war seemed to be almost a realisation of Australia's long-held dread of the 'Yellow Peril'. Thus with the coming of the Cold War while America - and Britain also for the matter - could readily agree that Japan should no longer be looked upon as an enemy but rather induced by a soft peace to join the West's camp, the Australians would have none of it. They stubbornly rejected the argument that the global struggle against communism justified appeasing Japan, encouraging it to rearm and treating it as a loyal ally. Even after the United States agreed to join in a mutual security alliance with them they only accepted the terms of the Japanese peace treaty with great reluctance. Yet today, fifty years on, Japan has become Australia's most intimate friend in Asia. The two countries are bound together by a wide range of common interests. In the

parlance of diplomacy Australia and Japan are united in a 'regional partnership'. Very recently the Australian Foreign Minister has endorsed the American call for Japan to take a larger military role, including on Australia's very doorstep in East Timor. He was reported to have said that the Australian government 'wants Japan to be able to play its full part in the architecture of the region, including participating in peace-keeping operations'.¹

In this paper I will not attempt to explain how this great change in Australia's view of Japan has come about. Rather I aim to explore the history of Australians' perception of Japan, especially as that perception, influenced by the war experience, shaped Australia's attitude towards the peace settlement and informed its search for an American alliance. And for this purpose I will focus on Percy Spender, Minister for External Affairs in the Menzies Government, from December 1949 to April 1951 who was the Australian leader most centrally engaged in the diplomacy of the Japanese Peace Treaty and the Anzus alliance.

First, a little background. Both the fear of Japan and its concomitant, the desire for an American security guarantee, have a long history in Australian foreign policy.

From almost the beginning of the last century, specifically Japan's victory in the Russo-Japanese War, Australians had come to see in Japan a threat to national survival. Alarmed that Britain in the event of a European War might not be able to send aid to the Pacific they turned to the United States. In 1908 when Alfred Deakin, as Prime Minister, invited America's Great White Fleet to visit Sydney and Melbourne he declared that Australians welcomed the fleet 'not because of our blood affection for the Americans but because of our distrust of the Yellow Race in the North Pacific and our recognition of the 'entente cordiale' spreading among all white men who realise the Yellow peril to the Caucasian civilization, creeds and politics'.² The following year in order to give these feelings a more concrete form he put 'A proposition of the highest international importance' to London, in which he suggested that Britain might approach the United States to seek a Pacific alliance, an extension of the Monroe Doctrine to the Pacific. In the 1930s after Japan embarked on an imperialist course in the East Asia and the Fascist powers challenged the Versailles peace settlement in Europe Australia, fearing that with Britain engaged in a war in Europe it might be left to fend for itself, once more tried to draw the United States into a Pacific Pact. But both these efforts failed. America's isolationist walls were impregnable.

With the onset of the Pacific War the Japanese rapid movement southward seemed to herald an imminent invasion. Their early military success, accompanied as it was by great cruelty in treatment of civil and military internees, left a deep impression on the Australian psyche. By the time of Japan's surrender the Australian government had reached the view that in the post-war world its chief objective must be to safeguard itself against a resurgence of Japan's military might. To this end Dr H.V.Evatt, the Minister for External Affairs in the Chifley Labor Government, pursued three connected policies. Firstly, since it had been shown that they could not rely on Britain, they wanted a security arrangement with the United States. Secondly, they insisted that in making the peace Japan had to be permanently disarmed. And thirdly they wanted a significant say in the post war settlements, especially that with Japan. Yet though the Australians from 1945-1949 pressed their cause they had no success. The United States rebuffed them on all sides and the British showed little sympathy. In the meantime the highly volatile, almost manic, Evatt who unrelentingly pursued these policies became frustrated. He saw conspiracies everywhere and alienated the American and British leaders by his behaviour.³

The Liberal country Party Government which came to power in December 1949 had substantially the same Pacific policy as its predecessor. While it emphasised more the dangers of world communism, it too wanted a disarmed Japan, an American defence guarantee and a say in the West's global planning. Prime Minister Menzies, like Chifley before him, for the most part left the conduct of foreign policy in the hands of his Minister for External Affairs. In this case Percy Spender. Spender had much in common with Evatt. He had a strong, self-assured personality. He had distinguished himself at Fort Street High School and Sydney University, and had then made a name for himself at the bar. As a barrister he was a very well-prepared, assertive advocate who left no stone unturned in putting his case. And this style he carried over into his diplomacy. After an early encounter with Spender over Dutch New Guinea Patrick Gordon Walker, the British Secretary of State for Commonwealth Affairs, commented , 'Scratch a Spender and you'll find an Evatt.'⁴

Spender brought to office a mind peculiarly sensitive to Australia's position in the Asia Pacific region. Well before the outbreak of World War II he had become convinced that, as a result of the developing international situation, Britain would not in case of war be able to send a fleet to Singapore and therefore Australia had to look to defending the continent against a Japanese invasion and to obtaining the

support of America. He was elected to parliament in 1937 as an independent, defeating the Minister of Defence on these very issues.⁵ The Pacific War bore out all his worst fears. To his mind it was a salutary lesson for the country. And in March 1950 in his first speech as External Affairs Minister he spelt out the meaning of that lesson. 'No nation could escape its geography', he said. Australia had to accept that its future lay in the Asia Pacific region and that this reality carried with it great dangers. In addition to being concerned about the emergence of Communist China and the instability of Southeast Asia Australia had to take precautions against 'possible aggression' from a revitalised Japan. He therefore put forward the concept of a Pacific pact, centred on the United States. He hoped that such a pact would do for the Pacific what the North Atlantic Pact had done for Europe. He looked forward to a relationship with the United States in which there would be full consultation on all matters of mutual interest.⁶

At the Colombo Commonwealth Conference in January 1950 and then again at the London meeting of the Commonwealth working party on the Japanese peace treaty in May, the Australians with the New Zealanders resisted the appeals of the British and insisted on a tough peace. At the latter meeting Australia's Resident Minister in Britain, Eric Harrison, repeating the Spender line, said 'It was necessary' that Japan's capacity for making and supporting war was not recreated and that Japan must be left no loophole for the resurgence of militarism. And he aired Australia's misgivings about America acting ever more unilaterally and, as a result, 'Japan sliding into a state of peace without the Commonwealth having a say in the matter'.⁷ All these Commonwealth deliberations, regardless of their outcome, were, however, to no avail. America was the spectre at the feast. Without knowing America's mind they were working in the dark.

The North Korean attack on South Korea which was launched on 25 June gave a new impetus to the American consideration of a Japanese Peace Treaty, and from the outbreak of the Korean conflict Spender had seen in the American decision to force back the Communists an opportunity to achieve his Pacific Pact. Thus in answer to an American request for military contributions to the United Nations forces, he wanted Australia 'to scrape the bucket to see what we can give'.⁸ Menzies, however, remained unmoved. The Prime minister did not share Spender's enthusiasm for America or a Pacific Pact. He saw such sentiments as endangering Australia's ties to Britain and the British world. After attending a British Cabinet Meeting he cabled Spender that the British Government was reluctant to send a

military contingent to Korea. Hence he recommended that the government should do nothing until after Anglo-American talks which were shortly to examine the problem.

Spender was not pleased. When then he learnt that the British, while Menzies was travelling by sea to America, had reversed themselves and were about to offer troops for the United Nations' forces in Korea he was determined that Australia should not be left in Britain's wake. It was crucial for his American purposes that Australia should make its offer first. Since Menzies could not be safely contacted Spender prevailed upon the acting Prime Minister, Arthur Fadden, to make the Australian commitment.⁹ Arriving in New York Menzies was quickly reconciled to what Spender and Fadden had done. After all Britain was also contributing and the Americans expressed their gratitude by giving him an even warmer welcome.

Menzies in Britain and North America did his best to ingratiate himself with his 'great and powerful friends' and undermine Spender's approach to the peace treaty and the pact. At a dinner at the Australian Embassy in Washington, attended by Dean Acheson, the American Secretary of State, he said that he favoured a 'generous and not a punitive peace'. The Americans were pleasantly surprised to learn that the Australian Prime Minister shared their opinion that the Japanese peace treaty should not contain any economic or military restrictions, except possibly restrictions on their right to build a navy with offensive capabilities.¹⁰ Moreover in Britain and Canada he showed no enthusiasm for an American alliance. Visiting Ottawa he told the Canadians that it was not Australian policy to promote a Pacific Pact. He considered it to be 'unrealistic'. He looked upon it as an attempt 'to erect a superstructure on a foundation of jelly'. In a condescending manner he dismissed the idea as 'Spender's baby', as though he had, against his better judgement, rather indulgently allowed his over zealous Minister for External Affairs to chase this will-of-the-wisp.¹¹ Indeed just before Spender himself was about to set out on a trip to Britain and America Menzies sent a cable to Canberra warning Spender off. He asked the Acting Prime Minister, Arthur Fadden, to tell

Percy Spender that the Pacific Pact is not at the present on the map because the Americans are uneasy about the stability of most Asiatic countries. We do not need pact with America. They are already overwhelmingly friendly to us.¹²

Spender, however, was not to be deflected from his course. In America in early September he took his message to every forum open to him, to the press, the

Congress, the Secretary of State and the President. But it was only after John Foster Dulles, the State Department official in charge of negotiating the Japanese Peace Treaty, presented him with America's proposed terms for a peace settlement that the Australian was taken seriously. On 22 September when Dulles revealed the American plans, Spender was aghast to learn that the Americans did not intend to place any restrictions on Japanese re-armament. There was nothing feigned about his strong reaction. An American official present on the occasion recorded in his memoirs, 'Sir Percy is a rather short, reddish-haired man with florid complexion. As he read the memorandum his face grew more and more suffused with color, and at one point I thought that he would burst a blood vessel'. Spender did not mince words, reminding Dulles of Australia's fears of a possible revival of the Japanese danger. 'Australia's immediate and direct concern', he said 'was security against future Japanese aggression'. Dulles was taken aback by the vehemence of the Australian response, and after Spender intimated that an American guarantee might go some way to persuading his country to accept a more lenient peace the American allowed that some 'compromise solution' would have to be found.¹³

But Spender returned to Australia with nothing in his hand. After his departure from America Australia became merely an onlooker in the events that brought the Japanese peace treaty to the negotiating table and led to the drafting of the Anzus pact. It was international circumstances not Spender's diplomacy which broke through the impasse.

China's entry into the Korean War at the end of November shocked America into action. Within a few weeks of the Chinese intervention the Americans had decided to proceed with the Japanese Peace Treaty and to promote in association with it an off-shore island Pacific defence arrangement. On 10 January the President appointed Dulles as his Special Representative to lead a mission to Tokyo to treat with the Japanese about a peace settlement and also to look into the possibility of creating a 'mutual assistance arrangement' among friendly Pacific island nations, 'Australia, New Zealand, the Philippines, Japan, the United States, and perhaps Indonesia'. This latter scheme was to have the dual purpose of protecting the members of the alliance from Japan as well as their external enemies. In his instructions Truman made it clear that the United States would only be willing to enter into such an arrangement if the other member nations accepted 'the general basis on which the United States is prepared to conclude a peace settlement'.¹⁴

The Australians had no direct knowledge of what the Americans were about. Spender, however, was aware that new developments were afoot. The press reports of new American thinking about a Japanese Peace Treaty and of high level Anglo-American exchanges over China's entry into the Korean War were enough to arouse his suspicions that Australia might be presented with a *fait accompli*. Thus in early January he cabled Menzies, who was attending a Commonwealth Prime Ministers Conference in London, that he should tackle the British about it and not depart from the Australian position, namely that Japan was 'the only country which represents an actual threat to Australian security in the foreseeable future'.¹⁵

There were some grounds for Spender's distrust of Britain for the British failed to consult Australia about their response to the American plans. After Dulles had on 12 January informed the British Ambassador in Washington of his mission, London recognised that the moment had arrived for settling the Japanese peace treaty and Pacific security arrangements. On 6 February Ambassador Gascoigne in Tokyo conveyed the British conclusions to Dulles. While accepting that there should be no limits on Japanese re-armament except for submarines and a strategic airforce he raised many objections to the Pacific island nations defence arrangement. Gascoigne, given a few days to ponder further the matter, spoke again and in even more emphatic terms to Dulles about the American Pacific defence scheme, saying that his government 'most definitely and implicitly would not be able to accept establishment of a Pacific Defence council which did not include the United Kingdom'.¹⁶ Britain's objections weighed heavily with the Americans, and Dulles was puzzled on how to proceed when he left Tokyo to talk to the Filipino, Australian and New Zealand leaders.

At last the Americans were coming to Australia. At last it seemed possible that they were ready to respond to Spender's appeals. If he could avoid it he had no intention of allowing this opportunity to slip from his grasp. Yet even as he prepared for the meeting with Dulles he came under pressure from the British to act with caution. The United Kingdom High Commissioner in Canberra, Edward J. Williams, and Sir Esler Denning, whom the British Foreign Office had sent out specially to keep an eye on the Australian - New Zealand - American talks, on the eve of the conference tried to influence Spender. The Commonwealth Relations Office had indicated to Williams that Britain 'would pretty certainly wish to be a party to any military arrangement if only so that we should be in a position to ensure that the major considerations for us (namely encouraging Australia and New Zealand to keep their eyes firmly on the

Middle East) was kept to the fore through out'. Thus the task before Williams and Dening was to persuade the Australians and New Zealanders not to commit themselves hastily but to 'give themselves and ourselves time to examine this important issue properly and work out fully considered proposals'. They put all the British objections to the island chain mutual defence scheme to Spender and pointed out that if it included Japan the Australians might be called upon to pay a high price since Japan was more likely to be attacked than they were. Spender was not swayed by these arguments. He was determined to obtain some form of security guarantee from the Americans. He would prefer a simple tripartite pact but would, if necessary, accept the inclusion of the Philippines. Failing this he might in the last resort, he said, 'have to be content with something else'.¹⁷

After the long build-up to this great occasion the first day of the conference, 15 February, was something of an anti-climax. Spender as chairman had opened the discussion by putting the Australian and New Zealand main objective on the table. Spender said that Australia was worried by the lack of any reference to Japanese rearmament in the proposed peace terms. He had no objection to allowing sufficient defence forces for Japan self-protection. But then he rehearsed all the old arguments about Japan's untrustworthiness. It was 'doubtful whether the Japanese had undergone a real change of heart'. It was possible that if given an opportunity they might 'recover as quickly as Germany had done after World War I and make demands that the smaller Pacific nations might not be able to resist'. Moreover there was no reason to believe that in a 'conflict between the Soviet Union and the democracies' Japan would not seek to recover the territories it had lost in the war. The best solution would be a United States, Australia and New Zealand pact with a framework for consultation which would connect the pact to Nato.

Dulles in response side-stepped the issue. It was as though he was uncertain about the whole Pacific defence question. He had nothing well thought out on Pacific security to bring to the meeting. The question of Japan and its allegiance to the West and the consequent need for a soft Japanese peace treaty had been the starting point for the defence plans and so it was here that Dulles began his introductory remarks. In justifying America's non-punitive peace Dulles emphasised the importance of preventing Japan and its great industrial resources from falling into the hands of the Communists. Japan had to be wooed. It was essential that it should become a bulwark against the spread of Communism. It had to be convinced that its best interests lay in alliance with the Western powers. This led him to the vexed

question of Japanese re-armament. And he extended himself in trying to show that Australia and New Zealand had nothing to fear. Rather disingenuously he stated that he had not discussed possible re-armament with the Japanese when in Tokyo and that both economic difficulties and a pacifist public opinion made it unlikely that the Japanese would wish to hasten in this direction. The United States intended, with Japan's consent, to keep forces in Japan until it was ready to contribute to its own defence. Indeed the 'presence of American troops in Japan was an additional assurance that there would be no aggression by Japan against the countries in the South Pacific'. He nevertheless understood the problems which the Australian and New Zealand leaders had with public opinion and recognised that, if for no other reason, the peoples of the two nations should be given reassurance. For Dulles the only possible explanation for the Australian and New Zealand leaders' agitation about Japanese re-armament was the need to placate an ignorant and emotional public opinion.

The next day, with Cabinet's authority behind him, Spender told Dulles that Australia could not accept the proposed American terms for the peace treaty 'unless its disadvantages were offset by an acceptable security arrangement in the Pacific'. But what Spender seemed to be offering in return for this pact was merely to withdraw Australia's demand for total disarmament for he still maintained that, even with a security pact, some limitations should be placed upon the levels of Japanese armaments. Dulles merely repeated the arguments for a peace treaty free of any formal restrictions, whether military or economic. The best defence against Japan's misuse of its restored sovereignty would be the integration of Japan into the collective defence of the region. But in attempting to achieve this Dulles had been frustrated. The United Kingdom's strong objections to the Pacific offshore island proposal had made it difficult to proceed.

Spender was indignant that Britain's interposition should have diverted the Americans from pursuing the possibility of a pact. He 'expressed surprise that the United States should put the objections of the United Kingdom before the Australian view that those objections could be overcome'. It should be remembered that 'Australia was a principal in the area but the United Kingdom was not'. Here he was in effect rehearsing the Menzies doctrine of April 1939 about Asia being for Australia not the Far East but the 'Near North', the same doctrine which had informed Evatt's attitude towards the Pacific. As Spender expressed it elsewhere, in their region the Australians not the British were the 'metropolitan power'. He maintained that an

agreement simply between the United States, Australia and New Zealand, which would be free from the problems raised by the British, was the best option. In response Dulles, perhaps worn down by Spender's terrier-like advocacy, allowed that the officials attached to the delegations might look at the substance of such a treaty, that is the nature of the obligations which each party might be asked to assume.

The officials under Australian leadership drew up, however, not a report on obligations but a draft treaty which became the basis for the ultimate Anzus Pact. On the last day of the conference when the draft was presented to the delegates Spender spoke of the proposed pact in terms which would appeal to Dulles. The tripartite agreement was to be the nucleus of what hopefully would grow into 'a wide and inclusive system of collective security in the Pacific'. At the heart of the agreement was Article IV which declared that 'Each party recognises that an armed attack in the Pacific area on any of the Parties would be dangerous to its peace and safety and declares that it would act to meet the common danger in accordance with its constitutional processes'. The language of the Monroe Doctrine was invoked to suggest that America was extending to Australia and New Zealand the same protection from external enemies that was conferred by the Doctrine on all states of the Western Hemisphere. In this sense it was a fulfilment of what Deakin had adumbrated in 1909. The treaty also provided for a Council of Foreign Ministers and authorised it to establish consultative relationships with other states, regional organisations or associations of states that could contribute to the security of the Pacific area. For Dulles the only remaining question was whether the Philippines should be invited to become a member. It would show that the agreement was not a 'White Man's' pact. It would be an earnest of the American vision for building a broader collective security structure in the Pacific. Spender intent on having his pact almost, it might be said, at any price, nevertheless stated that Australia would not stand in the way of the Philippines.

If the Pact went ahead Spender assured Dulles that he would recommend to the Australian Government that it accept America's proposals for a Japanese peace treaty. Nevertheless he still could not quite free himself from Australia's apprehensions about Japanese re-armament, and he suggested that Japan should be required after the signing of the peace to enter into a voluntary undertaking to limit its military development and that the Western powers should place controls over the export of strategic materials to Japan.¹⁸ These suggestions, and they were only

suggestions, fell on barren soil; the Americans gave them short shrift. Their very mention, however, shows that for Spender fear of Japan lingered. Even an American alliance was not by itself a sufficient safeguard against the prospect of a resurgent Japan.

Following the conference Australia had no further role to play in the Japanese Peace Treaty. While the Anzus Pact, which was signed and ratified more or less simultaneously with the Japanese Peace Treaty, was approved by the Labor opposition and the public at large, the peace treaty did not have the same popular support. The government in pushing the latter through parliament were most uncomfortable in trying to justify its lack of restrictions on re-armament. The Labor Party voted against it and in a Morgan public opinion poll 67% of Australians also opposed it. Indeed it was not until 1954 that the Menzies government abandoned the idea that Japan was a threat to Australian security.

In looking back on Australia's role in the making of the Japanese Peace Treaty and the Pacific Pact the most interesting question is not that which has dominated most treatments of the topic, namely whether the Anzus Alliance, assumed to be a good thing, was achieved as a result of Spender' wily diplomacy or conceded by the Americans out of necessity or magnanimity. Rather after fifty years it would seem more appropriate to ask how one can account for Australia's compulsive fear of Japan which led to Spender's unwavering, one might almost say obsessive, campaign to limit Japan's re-armament and to obtain an American security alliance.

In order to appreciate the significance of this question it is important to bear in mind that Spender ignored both the advice of his government's advisers who nowhere in their strategic surveys listed Japan as a danger to national security and the self evident geo-political reality that since America was committed to containing Communism in the region it incidentally provided Australia with the most foolproof protection that it had ever enjoyed. Carrying the point further it might be asked why Spender at the very time Australia least needed an American alliance so tenaciously pursued it, why he was willing to pay almost any price for the alliance, including eventual Japanese membership and why he wanted limits on Japanese rearmament as well as the alliance.

The explanation must be found in the history of the issue and the way in which Australians' perceptions of Asia and Japan had evolved. That is, it must be seen

against the background of European Australians' racial fear of Asia as the 'Yellow Peril' and its security fear of Japan as the military standard bearer for the Asian menace. The Second World War in bringing the Japanese enemy to Australia's doorstep had made these fears so palpable, the meeting of Japan and Australia in Southeast Asia and New Guinea had been so fierce and brutal, that in the aftermath of the war Australian political leaders were unable to reassess Japan's position in the region against the new international circumstances. Thus they imagined their old trauma of national survival reproducing itself endlessly and so adopted policies aimed to meet this historically conditioned contingency.

Spender felt the full force of this history more intensely than most. Admittedly he was anxious about the implications of the Communist revolution in China and the impact of Communism on national independence movements in Southeast Asia. But he genuinely believed that Japan was, as he put it to Menzies, 'the only country which represents an actual threat to Australian security in the foreseeable future'. In the late 1930s as the international situation had deteriorated he had been among the first to understand that Britain and its Singapore base could not be relied upon and, as a result, had turned to the United States as the only possible great power protector. Both his political and personal identities were peculiarly bound up in this cause. Thus he committed himself without reservation - even defying the British and at times his prime minister in the process - to achieve his twin goals of preventing Japan from again becoming a military threat and of engaging America in Australia's defence. What did Australia receive from the alliance which it would not have had without it? Certainly it did not obtain support for its most immediate security interest during the 1950s, namely preventing Indonesia from annexing Dutch New Guinea. At the end one must wonder whether Spender's absolute commitment to achieving the American alliance was not a rather misguided endeavour.

Endnotes

¹ *Sydney Morning Herald*, 18 May 2001.

² Letter, Deakin to Richard Jebb, 4 June 1908, Deakin-Jebb correspondence, NLA 339/1/19A-B.

³ Neville Meaney, *Japan and Australia's Foreign Policy, 1945-1952* (London, 2000), pp.18-35.

⁴ Minute, Gordon-Walker to Sir Peter Liesching, Permanent Under-Secretary of State for Commonwealth Affairs, 24 May 1950, PRO DO35/2862.

⁵ Percy Spender, *Politics and the Man* (Sydney, 1972), p.4 and *Exercises in Diplomacy: The ANZUS Treaty and the Colombo Plan* (Sydney, 1969), p.15.

⁶ *Commonwealth Parliamentary Debates*, Vol.26, pp.621-36, 9 March 1950.

⁷ Minutes of the Commonwealth Working Party Meetings, 1 and 5 May 1950, PRO CAB133/78.

⁸ Cable, Spender to Menzies, July 1950, cited in Robert O'Neill, *Australia in the Korean War, 1950-5*, Vol.I, 'Strategy and Diplomacy', p.65.

⁹ *Ibid.*, pp.75-76.

¹⁰ Memorandum of discussions at the Australian Embassy, Washington, 28 July 1950, *FRUS*(1950), VI, 1261-2.

¹¹ Cable, United Kingdom High Commissioner, Ottawa, to Liesching, 12 August 1950, PRO DO35/3871.

¹² O'Neill, p.87.

¹³ John M. Allison, *Ambassador from the Prairie: or Allison in Wonderland* (Boston, 1973), pp.151-2; cable, Australian Delegation to the United Nations to External Affairs Department, 22 September 1950, NAA A1838 532/1, Pt1; *Exercises in Diplomacy*, pp.45-8.

¹⁴ Letter, Dulles to Acheson, 4 January 1951, and letter, Acheson to George C.Marshall, 9 January 1950, *FRUS*(1951), VI, Pt1, 781-3 and 787-9.

¹⁵ Cable, Spender to Menzies, 3 January 1951, NAA CRS A1838 535/6 Pt 2.

¹⁶ Minutes--Dulles Staff Meeting, 30 January 1951 and cable, United States Political Adviser to SCAP, Willam Sebald, to Acheson, *FRUS*(1951), VI Pt 1, 143-44 and 830-2. See also cable, Gascoigne to British Foreign Office, 2 February 1951, PRO DO35/2927.

¹⁷ Cables, Commonwealth Relations Office to Williams, 12 February 1951 and Williams to Commonwealth Relations Office, 15 February 1951, PRO DO35/2927.

¹⁸ Notes on the Australia - New Zealand - United States Talks in Canberra, 15-17 February 1951, *Documents on New Zealand External Relations* (Wellington, 1985), III, 'The Anzus Pact and the Treaty of Peace with Japan', 593-612; *Exercises in Diplomacy*, pp.; *FRUS*(1951), VI, Pt1, 156-172. For the Australian Cabinet discussion, see Cabinet Agendum 265, 15 February 1951, Pacific Defence Pact, NAA CRS4940 XRI and Memorandum, 15 February 1951, NAA A4311. Box 493. For Dulles' January discussions with the Japanese Prime Minister, Shigeru Yoshida, where he urged the Japanese Government to hasten on the build-up of their defence forces - he proposed a 300,000 man army - see Michael Schaller, *Altered States* (New York, 1997), pp.34-36.

SAN FRANCISCO TREATY-MAKING AND ITS IMPLICATIONS FOR NEW ZEALAND

Ann Trotter

There are those in New Zealand who feel that the events we are remembering today, at least insofar as they relate to the Australia New Zealand United States Security Treaty (ANZUS), are best forgotten. It is ironic that, while relations with Japan these days are good and certainly non-controversial, New Zealand is now a 'friend' rather than an ally of the United States and her relations with Australia are strained by the current minimisation of New Zealand's defence capability. In 1951 Sir Carl Berendsen, New Zealand's delegate to the San Francisco conference, spoke of New Zealand's intention to play its part as a good neighbour in the Pacific and called on Japan 'to fulfill our trust'. He spoke of ANZUS as a reaffirmation 'that these three countries have established a true and lasting comradeship and goodwill and common trust and confidence'.¹ Times change.

It was the debate over the nature of the Japanese peace treaty which drew New Zealand into new and more sophisticated relationships with the United States and with Australia. The generous peace treaty and the security treaties which accompanied it involved a new level of diplomatic activity and unaccustomed strategic thinking for New Zealand. This involved a challenge to New Zealand's traditional relationship with the United Kingdom though the implications of the new situation were not recognised by the politicians at that time and a reassessment of this relationship was not seen as necessary in 1951.

Security considerations

The war in the Pacific, the lengthy negotiations to establish a peace treaty and the changing balance of forces as the Cold War closed in, forced New Zealand and Australia to think about their relationship in strategic terms. They had to recognise their geographically anomalous position. As one writer has put it, they are 'two outliers of the west perched under the very diverse, dynamic but unstructured realm of Eastern Asia'.² By the Canberra Pact in 1944 New Zealand and Australia accepted a broad mutuality of

interest in the Pacific and in 1951 the concept that New Zealand and Australia constitute a single or shared strategic entity was a given.

But the geographical facts do not mean that the strategic concerns of the two countries are identical. Twelve hundred miles separate New Zealand and Australia. In 1900 when the Australian federation was formed, these miles were seen as 1200 good reasons why New Zealand should not join. The distance argument, irrelevant now and probably irrelevant then has, however, served down the years to put a particular cast on the relationship between the two countries and to amplify New Zealand's sense of its own isolation. In the debate about New Zealand defence policy these days the claim that New Zealand is 'surrounded by the largest moat in the world' can be heard.

The logic of geography also dictates that Australia, most of which lies well to the north of New Zealand, should have greater awareness of the 'arc of instability' which constitutes its 'near north'. These are factors which contribute to the different security evaluations in the two countries and are one of the reasons why in the negotiations over the peace treaty the New Zealand stance is frequently described as 'less extreme', 'less vociferous', 'less forceful' than that of Australia.³

If a sense of isolation can be seen as a thread running through the history of New Zealand's external relations, what has changed between 1951 and 2001 is New Zealand's attitude to this. In 1951 New Zealand governments wanted a 'voice' in international affairs and felt bound to participate in, and contribute to, defence organisations in an attempt to influence Western policy. The centres of danger were seen to be in Europe and, if New Zealand made a contribution there, so the argument went, others would reciprocate and defend New Zealand in the Pacific. Reliance on others was seen as involving obligations and there was a recognition that New Zealand, even with Australia, could not stand alone. The extended negotiations for a Japanese Peace Treaty forced New Zealand to recognise, reluctantly, that the United States held the key to peace and security in the Pacific but did not at that time alter the New Zealand belief that its most effective contribution in the event of war would be in theatres other than the Pacific.

Attitudes towards Japan

There was no difference in the policies of Australia and New Zealand towards Japan in the years immediately after the war, both favoured a harsh peace that would prevent Japan from ever again threatening the security of the Pacific. There was, however, a difference in the intensity of their feeling about Japan. Quite apart from the difference in their geographical locations in relation to Asia and the Pacific the Australian wartime experience had been different from that of New Zealand. Unlike Australia, New Zealand's territory had never been attacked and, most significant of all, the Australians had been engaged in tough, bitter fighting against the Japanese in Papua New Guinea. New Zealand troops remained in Europe, the Americans taking responsibility, with the Australians, for regional security. New Zealand's part in the war in the Pacific was limited and this fact was a cause of resentment in Australia. With good reason their experience in the Pacific resulted in greater antagonism towards Japan in Australia than in New Zealand. In the case of New Zealand about 100 of New Zealand's 9000 POWs had been in Japanese camps whereas Australia had had 22,000 prisoners of the Japanese, 8000 of whom had died.⁴ New Zealanders didn't like what they saw on news reels and heard about Japanese POW camps but the legacy of bitterness was not as great in New Zealand as in Australia in both official and unofficial circles.

Political leadership

The formulation of New Zealand's requirements for a peace treaty with Japan represented a considerable challenge. Prime minister, Peter Fraser, told the Dominions Office:

'It is our view that the proposed peace terms should be examined by all those powers who have a direct interest in each settlement including not only the great powers but other belligerent states including the British Dominions which have contributed substantially to the defeat of any of the countries concerned.'⁵

New Zealand had no wish to be left out of the peace-making process and this statement appeared to suggest a determination to act independently. But Fraser's position was paradoxical. He was a New Zealand nationalist and a dedicated internationalist who set great store by the United Nations and the Commonwealth relationship. In typical fashion in 1948 Fraser declared the British Commonwealth's outstanding message to the world to be :

‘that our countries are free and independent and sovereign, but that we are interdependent, and that, without our mother country and without the strength that unity means among our countries our sovereignty would count for little.’ He went on, ‘We must still make the best of the United Nations and endeavour to support it in every way in the hope that reason will ultimately prevail’⁶

Fraser was happy that the formulation of New Zealand’s requirements for the peace treaty and the protracted negotiations relating to it should be carried out within the Commonwealth structure. His thinking was western oriented, his Scottish origins, and wartime contacts with Churchill and the Chiefs of Staff making him at home in and concerned for the United Kingdom. He did not think that events that would affect peace and war would take place in the Pacific and in 1948 volunteered New Zealand assistance to the Commonwealth defence in the case of war with the USSR. He committed New Zealand troops to defend the Suez canal within 90 days of D Day.⁷ His concept of the Pacific encompassed the south Pacific islands which were New Zealand’s neighbours and some of them her responsibility. The ‘magnot line’ for New Zealand, Norfolk Island, New Caledonia, Fiji, Tonga and Samoa, was seen as an unlikely field of conflict in the existing strategic circumstances.⁸

Fraser was defeated in 1949. The new Prime Minister, Sidney Holland, had what has been described as a ‘tenuous’ grasp of international affairs.⁹ His approach even then appeared old fashioned but probably reflected the views of many New Zealanders as he referred to ‘the dear old empire’, to ‘hoisting the flag for the British Empire and Imperial Preference’.¹⁰ The external affairs portfolio went to Frederick Doidge, a New Zealander who had worked for Lord Beaverbrook in London and had taken part in Beaverbrook’s campaign for Empire Free trade. Doidge proved a poor performer who, according to Alister McIntosh, Secretary of External Affairs, refused to concentrate on mastering any topic and was incapable of grasping a new idea.¹¹ He moaned after six months in office, ‘I just never seem to be able to get through all that comes to my desk’.¹² Described as ‘inordinately vain’, he was an Anglophile who deferred to British advice.¹³ While the essential thrust of New Zealand policy did not change with the change of government, the threat of the rise of communism, the ‘red tidal wave’ with which Holland and Doidge became increasingly concerned, meant that in the interests of New Zealand security they were more receptive to looking to American protection and leadership in Pacific and Asian affairs in spite of their ‘empire centred’ view of the world.

Given the lack of political interest and leadership in external affairs from 1950 the work of officials in shaping New Zealand's policy was increasingly significant. The formulation of New Zealand policy towards Japan was left essentially to the small band of professionals in the Department of External Affairs.

The New Zealand/Australian relationship

Within the Commonwealth the combined voices of New Zealand and Australia could be expected to carry more weight than they might singly and, generally speaking, they tried to act together in the effort to participate 'fully and effectively' in the peace settlement. Australia took the lead. Australian and New Zealand perspectives on the Pacific were different as was the style of the participants. Australia saw itself taking a leading role and was prepared to take a confrontational approach. Evatt had indicated in 1945 that he thought the position had been reached where Australia and New Zealand would take over from the United Kingdom the leadership of the British Commonwealth in the Pacific.¹⁴ Frank Corner, the officer in the Department of External Affairs in Wellington assigned to develop New Zealand policy towards Japan observed that the Australians also took it for granted that the United States would become the dominant power in the Pacific, that Britain's role there could never be re-established and that Australia must find a means of influencing American policies in the Pacific area.¹⁵

The vision of New Zealand was very different from that of Australia. The New Zealanders had no sense that they should give a regional lead in the Southwest and South Pacific.¹⁶ Like Fraser, Alister McIntosh was an Anglophile. In June 1946 McIntosh wrote:

'The future of the Pacific in relation to British policy has undoubtedly become a real and urgent problem for us. Its implications are likely to prove unpalatable to New Zealand sentiment..I am a sentimentalist myself and the spectacle of Australia seeing to it that Britain recognises the force of events rouses my sympathy and in fact I have not yet reached the conclusion that the British need necessarily write themselves off so far as the Pacific is concerned the factor that doesn't seem to have been given due consideration is the very real prospect that the Americans, owing to their faulty economy will come a God-almighty crash and the British may be vouchsafed another 30, 40, 50 or even 60 years as a Great Power..I still have sufficient faith in the tenacity of the British people'.¹⁷

In retrospect his faith seems touching, if somewhat misplaced.

Prime Minister Fraser was well-disposed towards Australia and was an admirer of Dr Evatt always seeing him, McIntosh complained, in a favourable light. McIntosh himself was always chary of the Australian connexion. He wrote to Sir Carl Berendsen, New Zealand's ambassador in Washington, 'It never was in our interests, and I doubt if it ever will be, to work in double harness with the Australians. We are much better to stick to our own line'.¹⁸ To Frank Corner he commented 'the history of relations between the two countries is one of the two countries making an agreement, then Australia getting ready to double-cross New Zealand, but then New Zealand getting in first'.¹⁹ In reply to Frank Corner's suggestion that, given Evatt's ambitions, New Zealand, in order to get consideration for its views on the Pacific, rather than recoiling jealously from Australia should 'white ant' her, McIntosh wrote, 'Wherever Australian and New Zealand interests are parallel it is absolutely essential for us to fight for our rights and whenever we do I am happy to say that not infrequently and because of odious comparisons we get a little more than is perhaps just'.²⁰

Behind this intra-Dominion prejudice one can sense here some small country jealousy and, more importantly, a different security evaluation. The New Zealand professionals were wary in their response to Australia but, given the preoccupation of the British with post-war problems and the maintenance of good relations with the United States, it was necessary to go along with the Australians who were the only game in town.

Negotiations

In the beginning Australia and New Zealand seemed to be working together, sharing information and producing papers which reflected a joint approach. The first test came in 1947 at a Commonwealth Conference held in Canberra. At that time the impression was that American plans for the future of Japan were softening. For New Zealand question was how to achieve Japanese disarmament, both military and economic, and with it the related issues of constitutional reform and the strengthening of democratic tendencies, at a price she could afford. Long-term guarantees against the resumption of Japanese aggression were New Zealand's goal but it was not clear how these could be achieved. As it was, McIntosh reported that 'nobody took the show seriously' and no

decisions were made at Canberra.²¹ For the time being attempts at forging a Japanese peace treaty lapsed.

But by 1948 the global balance of forces was changing. The prospects for peace seemed to be dimming in both Europe and Asia which suggested to Frank Corner that it was time to revise the direction of New Zealand's thinking on security. His paper, written in July 1948, viewed New Zealand's security in the global context of the Cold War. He concluded:

'It would seem, therefore, to be in our long-term interest to establish as soon as possible the most intimate relationship with the United States in order that she may develop the habit of thinking of New Zealand as a close associate and ally. It is not fanciful to suggest that the grand aim of New Zealand external policy and diplomacy might be to secure some form of American guarantee of the security of New Zealand.'²²

Though Corner enjoyed a special relationship with McIntosh with whom he had a copious correspondence, it was too early for this think-piece to affect New Zealand's policy. Fraser continued to focus on Britain and Europe. In 1948 New Zealand contributed three RNZAF crews to the Western effort to lift the Soviet blockade of Berlin and undertook to send troops to the Middle East in the event of war in Europe. New Zealand was not going to fight a war in the Pacific where United States naval predominance made any threat there unlikely for the foreseeable future.

Sid Holland, Prime Minister from 1950, said he would stick to Fraser's commitment to the Middle East but by that time Cold War politics had led to a clarification of United States preference for a non-punitive treaty. Australia and New Zealand were still concerned about a possible resurgence of Japanese militarism but within the Commonwealth were increasingly in a minority. Reporting on the discussion on the Japanese Peace Treaty at the Colombo conference in January 1950 McIntosh wrote:

Australia and New Zealand said their piece which was the extreme view. The Asian countries made it quite clear they were all in favour of kissing and making friends and tossing hostages to fortune. The United Kingdom characteristically took a middle line and refused to show their hand. They distributed a paper which no-one read and Bevin didn't stick to it in his talk either.²³

There was no Commonwealth view on the treaty and after this conference Spender, the Australian Minister for External Affairs, 'an absolute little tick', according to MacIntosh, to whom Doidge took an instant dislike, began campaigning for a Pacific Pact.²⁴ McIntosh feared that 'if New Zealand was not careful her role would be similar to what it was in the days of Evatt.'²⁵ This suggested he thought New Zealand would have to fight to be heard but there was apparently no sense of urgency about this. In March 1950 Carl Berendsen, an arch cold warrior, urged that, in the Cold War climate, New Zealand, so isolated in the South Pacific, should take the initiative in getting a defence pact with the United States. In return for New Zealand willingness to help in the North Pacific it could seek an American guarantee of New Zealand security.²⁶ This elicited no immediate response. Months later Doidge wrote, 'I regard an American guarantee as the richest prize of New Zealand diplomacy,'²⁷ but he took no action to achieve this. The conclusion of the Chiefs of Staff at that time was that on military grounds there was no reason to approach the United States, that for New Zealand to provide significant forces for Pacific defence would be 'a misdirection of effort' because there would be no threat in the Pacific in a war with the USSR.²⁸

Nevertheless in the light of the American approach to the treaty by mid 1950 it was clear to McIntosh at least that New Zealand might have to re-think its whole attitude. He wrote: 'We must try to get something and the essential point at this stage is not to show our hand or indicate to what extent we will modify our attitude when it comes to the final conference'.²⁹

In Washington Frank Corner too was concerned. He wrote:

'the United States attitude of no controls, no supervision, no sanctions makes me quite depressed. There is nothing for New Zealand in such a treaty. I don't see we are not justified in asking for the bare minimum of limitations and controls. If others don't agree (and everyone except the Australians might be against us) I don't see much point in our interesting ourselves further in a treaty . I think the United Kingdom will cave in on the Americans to avoid spoiling their overall relations with the United States.'³⁰

He was instructed to emphasise at every opportunity New Zealand's feeling of isolation and exposure and very real concern that an uncontrolled Japan might again threaten

the security of the Pacific. This, it was thought, might assist in the creation of an atmosphere favourable to the idea of a Pacific security arrangement.³¹ Of course New Zealand hoped at this stage that such an arrangement would include Britain.

The outbreak of the Korean war in June 1950 made American desire for a peace treaty more urgent. In September 1950 Truman announced negotiations would begin. The situation offered Australia and New Zealand some leverage and it soon became clear that Australians would not countenance a 'soft peace' with Japan unless they secured an American guarantee. In New Zealand Doidge wavered. He first told Parliament that a Pacific Pact was not as necessary as it had been because of what was happening in Korea. This, he suggested, was evidence that the United States could be relied on as a permanent partner in the policing of the Pacific. Ten days later he had reversed his stance and declared, as he departed for talks in London and Washington, that the North Atlantic Pact without a Pacific Pact was 'like locking the front door and leaving the backdoor open'.³²

Australia took the lead. Percy Spender on a visit to Washington made it clear that Australian acceptance of 'soft' treaty would be dependent on a formal American guarantee of its security. The idea of some kind of Presidential guarantee was floated. This was unacceptable to Australia but New Zealand was less adamant. MacIntosh commented to Berendsen that he felt New Zealand would be very lucky to get a general guarantee of her security from the Americans. He wrote 'I can't help feeling that if the Americans can find a way - which I don't think they can - of singling us out for a public embrace, let them do so'.³³ In the meantime as a matter of tactics it was considered worthwhile to continue expressing doubts about whether it was worthwhile signing a treaty which didn't go some way to meeting New Zealand's security requirements.³⁴ Berendsen was concerned with these tactics. He warned it was essential to 'play this game with the Americans - we can play none without them'.³⁵ To this McIntosh replied:

Mr Holland is all for sticking to the British through thick and thin and so is Mr Doidge. After all that is their traditional outlook. On the other hand they share your view that the US being in this to the extent that they are means an enormous amount to us and we should, therefore, think twice before we line up against them.³⁶

The Commonwealth Prime Ministers' conference in London in January 1951 was held in the shadow of increasingly alarming news of Chinese advances in Korea. Holland was dismayed by the tendency of the British and Indian delegates to criticise the United States against which he had no desire to 'line up'. He went so far as to propose, without success, a goodwill mission to be sent by the Commonwealth to the United States.³⁷ On the Japanese Peace Treaty McIntosh had problems persuading Holland to hold the line laid out in his brief. This made the case for security guarantees as part of the settlement with Japan. Holland's presentation was a pale shadow of that put forward by the Australians and McIntosh feared he had jeopardised New Zealand's position over the treaty. New Zealand, said Holland, did not feel so strongly on these matters 'because it was further away'.³⁸ Perhaps Holland's luke-warm presentation was due to his desire not to offend the Americans or to be too obviously out of line with the British. McIntosh complained that Holland didn't know or appreciate the background and his officials could not get sufficient time with him to talk. According to McIntosh, Frank Corner, who was a member of the delegation, had done his 'noble best' to restrain the Prime Minister and and McIntosh from becoming too British and less American.³⁹

Predictably when Dulles and party were due in February 1951 in Canberra the New Zealanders worried that the Australians would make 'impossible demands' and the Australians worried that the New Zealanders would inhibit them from putting forward their views as forcefully as they would like. They had reason to feel that New Zealand was less interested in the settlement than Australia.

In Wellington the Chiefs of Staff had concluded again that on military grounds there was no need for a defence pact though on political grounds a non-punitive treaty might make some form of security treaty guarantee necessary. In London McIntosh told the Commonwealth Relations Office he couldn't see much in a security guarantee because he couldn't see any circumstance in which an enemy was likely to attack New Zealand neither could he see New Zealand accepting a treaty which didn't include Britain. This reassured the British but did not reflect developments in New Zealand and Australia.⁴⁰

The idea of an 'island chain' pact in the Pacific was then being floated but had no appeal in Wellington which was suspicious of a regional pact which might include the

Philippines. An informal guarantee of New Zealand security in the form of a Presidential announcement seemed likely to be the most attainable and to suit New Zealand's interests best. From Washington, however, Holland, en route to New Zealand, cabled that the idea of a tripartite pact consisting of Australia, New Zealand and the United States had been put to him and he considered this, 'by far the best solution'.⁴¹ The Cabinet, which was considering the line New Zealand would take in the talks with Dulles, nevertheless felt a tripartite arrangement to be 'clearly unattainable' and a wider security arrangement which did not include Britain to be 'disastrous'. A policy advocating a Presidential Declaration as the best means of ensuring New Zealand security was therefore approved. Such a statement by the President would be in contemporary terms 'the true Pacific pact'.⁴²

Though the fact was that neither New Zealand nor Australia could afford to go out on a limb and refuse to sign a peace treaty which the United States was determined should be introduced, the preliminary talks between New Zealand and Australia in Canberra made clear that Australia would hold to its line. Australia wanted a formal and permanent association with the United States. The New Zealand Cabinet instruction had been in favour of a Presidential guarantee and an arrangement which included Britain, but it was finally agreed by both delegations that a tripartite ANZUS treaty would indeed be 'by far the best solution'.

At the talks with Dulles Spender made it clear that Australia would be satisfied with nothing other than a formal guarantee and a tripartite security was finally outlined. The procedures for its acceptance in the United States went forward and from Washington Berendsen reminded the doubters in New Zealand that they were 'extremely lucky' to get the security treaty in the form proposed.

On 13 July Doidge released the draft of the Japanese peace treaty and announced the initialling of the security treaty to the House. There was no debate and little comment because two days earlier the Prime Minister had announced that Parliament was to be dissolved and a snap election held to test the government's handling of the waterside worker's strike which had lasted from February to July. Press comment was similarly muted. There was recognition that since New Zealand was not prepared to bear the

cost of policing a 'hard' treaty it had little choice but to accept the terms outlined. There was more interest in the security treaty and press opinion was that it was not a matter of 'selling out to the Americans'.⁴³

Sir Carl Berendsen signed the ANZUS treaty and the Japanese peace treaty for New Zealand. His speeches, written on that occasion by Frank Corner and embellished with Berendsenian rhetoric stress New Zealand's intention to play its part in the Pacific, to serve wherever democracy needed to be defended.⁴⁴

Conclusion

ANZUS was the first treaty New Zealand signed with a foreign power without the United Kingdom and has thus been seen as a mark of independent status. But this was problematical. At the time Frank Corner wrote to MacIntosh:

'My mind still finds it difficult to reconcile the arrangements we are making - An agreement for the Pacific, but commitment in reality in an area of the M[iddle] E[ast] where we have no representation and no intelligence of our own; its all so untidy and I feel we are losing control of our own fate, since we will be dependent on others for intelligence etc. on the Middle E[ast]. I have the feeling that we [are] getting into a curious colonial status. But I'm sure it must make sense somewhere in W[ellington].'⁴⁵

The point has since been made by New Zealand's leading historian on this subject that the act of so-called independence, the signing of the security treaty, in fact left New Zealand in a state of 'dual dependence' i.e. dependence on both the United States and the United Kingdom as Corner had implied. But the United States did not fit neatly into New Zealand's world or into the world in which New Zealand wished to find a place. Attachment to the United States remained circumscribed and in the 1950s cooperation with Britain often played a bigger part than cooperation with the United States.⁴⁶

Loyalty to Britain was a central element of New Zealand's political culture. Neither the politicians nor the public wanted a world in which the United States was more important to them than Britain but, in matters of defence, officials and politicians felt New Zealand needed to keep in line with Australia and both were concerned in 1951 to 'bolt the back door' in the Pacific; to secure themselves against a revival of Japanese power so that they could contribute to the defence of democracy and the Commonwealth elsewhere.

In this respect it can be said that the signing of the peace treaty and the ANZUS treaty demonstrates of the power of interest over ideology.

In the period 1944 -1951 New Zealand and Australia accepted a broad mutuality of interests in the Pacific but ANZUS thereafter didn't play a central role in their relationship. The approaches of New Zealand and Australia were frequently divergent and marked by competition but, though the two countries frequently exasperate each other their relationship was, and is, broader than the alliance and survives its demise in New Zealand.

New Zealand's negotiations in relation to the Japanese peace treaty and the ANZUS treaty were carried out by a small group of officials with a few politicians of varying degrees of ability and understanding of the issues. The public was not engaged with the issues. Thus the basis of ANZUS was always weak. Unlike the Anglo-New Zealand relationship it was unbuttressed by sentiment or commerce and when put under strain - as in the Suez crisis or later during the Vietnam war or when new duties on New Zealand products were imposed - was subject to anti-Americanism in circles of both the right and left. In spite of American cultural influences in New Zealand there was not, and is not, the same popular identification with the United States as there had been with Britain.

In 1951 New Zealand was felt to be distant from tyranny, 'a little out of the direct line of attack', as Holland said. Neither the politicians, the professional soldiers nor the professional diplomats could envisage a scenario in which New Zealand would be attacked. Then, as now, distance and isolation were seen as sources of national security. This sense of being on the margins made New Zealand a rather luke-warm collaborator with Australia in the search for formal security guarantees against a possible resurgence of Japanese militarism. It led to New Zealand joining the ANZUS pact almost in spite of itself. Paradoxically it did not deter New Zealand in 1951 from wishing to make a contribution to Western/Commonwealth defence. This was seen as a legitimate responsibility for a country which thought globally, if somewhat idealistically, and wanted 'an eye, an ear and a voice'⁴⁷, in world affairs and the wider security framework. The negotiations over the Japanese Peace treaty and ANZUS were a kind

of watershed for New Zealand but if signing the treaties is regarded as an act of independence it was independence for which New Zealand seems scarcely to have been prepared. The implications of the new arrangements, their significance in the bipolar Cold War world, which seem so apparent in retrospect were not obvious to most New Zealanders in 1951.

Endnotes

¹ Robin Kay (ed.), *Documents on New Zealand External Relations, Volume III: The ANZUS Pact and The Treaty of Peace With Japan*, Wellington 1985, (hereafter cited as *NZER III*), pp.1164-65, 743, 767-769.

² Denis McLean, 'Australia and New Zealand: two hearts not beating as one', in *New Zealand International Review*, Jan./Feb. 2001, vol. xxvi, No.1, p 6.

³ See for example W. David McIntyre, *Background to the ANZUS Pact*, Canterbury University Press 1995, pp. 218, 241, 244.

⁴ Ian McGibbon, 'New Zealand Perceptions of Japan 1945-1965', in *Japan and New Zealand, 150 Years*, New Zealand Centre for Japanese Studies, Palmerston North 1995, p. 124.

⁵ Robin Kay (ed.), *Documents on New Zealand External Relations, Volume II : The Surrender and Occupation of Japan* (hereafter cited as *NZER II*) Wellington 1982, p. 50-1.

⁶ *New Zealand Foreign Policy Statements and Documents*, (Hereafter cited as *Statements and Documents*), Government Printer, Wellington 1972. p.172.

⁷ W. David McIntyre above, pp. 200-203.

⁸ W. David McIntyre above, pp. 192, 196, 201.

⁹ R. M. Miller to author, 10 August 1989. According to Miller, McIntosh told him keep briefings for the Prime Minister simple enough to be read by an 11 year old boy riding past them on a bicycle.

¹⁰ *NZ Parliamentary Debates*, 2 November 1950, vol. 292, p. 3956; *Statements and Documents* p.206.

¹¹ McIntosh to Berendsen, 1 February 1950, in Ian McGibbon (ed.) *Undiplomatic Dialogue*, Auckland University Press 1993, pp. 203-4 ; W. David McIntyre above, p. 8.

¹² *NZER III*, p. 545.

¹³ W. David McIntyre above, p. 7.

¹⁴ Summary of remarks by Dr Evatt, 23 December 1945, note by Frank Corner, NZ Ministry of Foreign Affairs and Trade archives, 268/9/9 Pt. 1.

¹⁵ Frank Corner in Malcolm Templeton (ed.) *An Eye an Ear and a Voice*, Ministry of Foreign Affairs and Trade, Wellington 1993, p. 108.

¹⁶ W. David McIntyre above, p. 191.

¹⁷ McIntosh to Corner, 14 June 1946, in Ian McGibbon (ed.), *Unofficial Channels*, Victoria University Press 1999, p. 59.

¹⁸ McIntosh to Berendsen, 29 May 1950 in Ian McGibbon (ed.) *Undiplomatic Dialogue* above, p. 230.

¹⁹ Corner in Malcolm Templeton (ed.) *An Eye and Ear and a Voice* above, p. 84.

²⁰ Corner to McIntosh, 31 May 1946, McIntosh to Corner, 14 June 1946 in Ian McGibbon (ed) *Unofficial Channels* above, pp. 55-7, 58-9.

²¹ Ann Trotter, *New Zealand and Japan, 1945-1952*, London 1990, pp. 103-6.

²² Collective Security, Regional Pacts etc. quoted by W. David McIntyre above pp. 196-7; Corner in Malcom Templeton (ed.) *An Eye an Ear and a Voice*, above, pp. 121-22.

²³ McIntosh to Berendsen, 1 February 1950 in Ian McGibbon (ed), *Undiplomatic Dialogue* above, p. 206.

²⁴ McIntosh to Berendsen, 1 February 1950 in Ian McGibbon (ed) *Undiplomatic Dialogue* above, p. 203.

²⁵ Quoted in W. David McIntyre above p.259 from 'Staff talk by McIntosh on the Colombo Conference', 3 February 1950, NZ National Archives, EA1 PM 153/28/1.

²⁶ *NZER III* pp. 522-32.

²⁷ *NZER III*, pp. 545-6.

²⁸ W. David McIntyre above, p. 267.

²⁹ McIntosh to Berendsen, 12 April 1950, in Ian McGibbon, (ed.) *Undiplomatic Dialogue* above pp.224-5.

³⁰ Corner to Shanahan, 29 April 1950, NZ National Archives, EA 102/9/4.

³¹ *NZER III* p. 384.

-
- ³² Quoted in Ian McGibbon, *New Zealand and the Korean War Vol. I*, OUP, 1992, p.123.
- ³³ McIntosh to Berendsen , 24 November 1950 in Ian McGibbon (ed.) *Undiplomatic Dialogue* above, p. 246.
- ³⁴ Memorandum, 'Japanese Peace Settlement', 15 December 1950, NZ National Archives, EA102/9/4.
- ³⁵ Berendsen to McIntosh 23 May 1950 in Ian McGibbon (ed.) *Undiplomatic Dialogue* above, p. 248.
- ³⁶ McIntosh to Berendsen, 15 December 1950 in Ian McGibbon, *Undiplomatic Dialogue* above, p. 252.
- ³⁷ See Ian McGibbon, *New Zealand and the Korean War, Vol. I*, above, p. 195.
- ³⁸ W. David McIntyre above, pp. 294-5.
- ³⁹ McIntosh to Berendsen , 10 January 1951, McIntosh papers, Ministry of Foreign Affairs and Trade archives.
- ⁴⁰ Ann Trotter above. pp. 154-5.
- ⁴¹ *NZER III* pp. 573-4, 582-4, 586.
- ⁴² Ann Trotter above, pp.155-6; Ian McGibbon, *New Zealand and the Korean War Vol. 1* above p. 209.
- ⁴³ See Ann Trotter above, pp. 168-70.
- ⁴⁴ *NZER III* pp. 1162-68.
- ⁴⁵ Corner to McIntosh, 1 July 1951 in Ian McGibbon (ed.) *Unofficial Channels* above, 78-79.
- ⁴⁶ W. David McIntyre above, pp. 400-02.
- ⁴⁷ Peter Fraser to Winston Churchill, 12 January 1942, *New Zealand in the Second World War 1939-1945, Documents, Volume III*, No.117, Wellington 1951, p.128.