
MOREEN DEE

As part of the process of decolonisation throughout the British Empire after the World War II, Britain, in conjunction with Malaya and Singapore, proposed to form a new federation of Malaysia which would also incorporate the British dependencies of Sarawak and North Borneo. Brunei, which was initially to be part of the merger, withdrew before the new state was formed. The British government envisaged that the merger would promote political stability in an area that was strategically important, and establish a barrier against the southward thrust of Chinese communist influence. None of the parties to the merger foresaw that the federation, which came into being on 16 September 1963, would become a major point of friction in the Southeast Asian region and an issue of increasing international concern.¹ This was particularly so for Britain, Australia and New Zealand, for whom the strategic stability of this area represented a vital element of their foreign and defence policies.

Initially, Indonesia appeared to acquiesce in the proposal for the new state, but opposition began to crystallise around the inclusion of the North Borneo territories. Indonesia became increasingly militant and began to direct opposition as much against the British as the Malayan government. With Britain’s retention of authority over the Singapore base, ‘Malaysia’ was perceived as a neo-colonialist puppet of an imperialist power bent on encircling Indonesia and prolonging British influence in Southeast Asia.²

In 13 February 1963 President Sukarno called on the Indonesian people to adopt a policy of Konfrontasi (Confrontation) towards the proposed new state.³

³ The first mention of a policy of confrontation towards Malaysia was made by Dr Subandrio on...
This article discusses the significance of Confrontation for the Southeast Asian region through an examination of Britain’s contention that the formation of Malaysia would promote regional political and strategic stability. In addition, it considers the worth of the diplomatic and strategic lessons that Australia and New Zealand were able to draw from the campaign, and the inevitable and salutary lessons faced by Britain. Geopolitically, the two cases were vastly different, for while Britain could quite easily withdraw to Europe, the strategic concerns of Australia and New Zealand were focused in the region, which had been in continuous conflict since the end of World War II.\footnote{See J.D.B. Miller, ‘An Australian View’, \textit{International Affairs}, vol. 42, no. 2, April 1966, p. 230.} The two countries needed to try to establish their regional position with policies that were as independent as their traditional outlook and capabilities would allow.

\textit{Konfrontasi: A Miscalculated and Unwelcome Outcome}

At first, Britain had envisaged three separate states: the Federation of Malaya, the crown colony of Singapore and a North Borneo federation comprising Sarawak, North Borneo and Brunei. This latter proposal failed, as it was rejected by Brunei, whose oil wealth was essential to the viability of any such federation. When Singapore expressed the desire for a merger with Malaya, the Malayan government was concerned that the resulting racial imbalance – Chinese to Malay – in the combined states would threaten Malay political control. The economic advantages to the merger, however, were not to be dismissed lightly by the Malays. Furthermore there was a real fear that the prevailing leftist trend in Singaporean politics would tend towards Chinese communism.\footnote{At the end of the 1950s the population of Malaya was 50 per cent Malay, 37 per cent Chinese and 13 per cent others, predominantly Indians. Singapore’s population was 75 per cent Chinese, 14 per cent Malay and 11 per cent others. A Malaya/Singapore merger at that time would have seen the Chinese outnumber the Malays by more than 100,000. A. Vandenbosch and M.B. Vandenbosch, \textit{Australia Faces Southeast Asia: The Emergence of a Foreign Policy}, University of Kentucky Press, Lexington, 1967, pp. 86-7.} The decision to incorporate the predominantly Malay Borneo territories into the Malaysia federation, therefore, was an attempt to redress the balance between Malay and Chinese and ‘form a nation large enough to be a stable influence in the region’.\footnote{H.R. Cowie, \textit{Australia and Asia: A Changing Relationship}, Thomas Nelson, Melbourne, 1993, p. 18.}

Australia and New Zealand nonetheless held some concern as to the viability of the proposed federation, particularly the uncertainty surrounding the outcome of the racially delineated political and economic control and social structure. Australian policymakers felt that the concept had ‘many weaknesses and although we have publicly...''
called it an imaginative, [sic] we have never gone overboard in support of it'. Despite these reservations, Australia publicly supported the Malaysia proposal as being the most likely to promote peace and stability in the region. The proposal was, after all, the most sympathetic to Australia’s important trade and business interests in Malaya and Singapore, and its defence strategy of ‘forward defence’. Australia’s Minister for External Affairs, Sir Garfield Barwick, conveying Australia’s concerns and misgivings to the New Zealand Minister for External Affairs, K.J. Holyoake, concluded: ‘I still think that Malaysia probably represents the best solution anyone has so far produced but it is a far from perfect one’.

The proposals for Malaysia, therefore, were conceived and greeted with more hope than certainty. But none of the perceived potential difficulties was to be the cause of the subsequent conflict. Rather, it was in the timing of the merger’s implementation. The resolution of the West New Guinea dispute in 1962 had created a void on the domestic political scene within Indonesia, by removing an issue upon which popular attention had been focused to divert attention from deteriorating economic conditions. President Sukarno quickly saw the formation of Malaysia as another nationalist cause for rousing patriotic sentiment, behind which the competing forces of the Indonesian army and the Partai Komunis Indonesia (PKI) could range themselves. Maintaining that true independence was unattainable without revolution, Sukarno’s aim became to break up the neo-colonialist concept of Malaysia. A brief respite was provided in mid-1963 by the Manila Agreements, which promoted pan-Malay dialogue between Indonesia, Malaya and the Philippines; but this accord was shattered by Indonesia’s reaction to Tunku Abdul Rahman’s sudden announcement that Malaysia would be proclaimed on 31 August 1963. President Sukarno immediately resumed the policy of confrontation, with no apparent possibility of turning back. The stability of the region

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7 Discussion Notes, ‘Australian attitude to Malaysia and possible involvement in the British Borneo Territories’, Minister and External Affairs officers, undated (filed early February 1963), CRS A1838/280, 3034/7/1/1 Part 1, National Archives of Australia, Canberra (hereafter NAA).
8 Letter, Sir Garfield Barwick to Mr K. J. Holyoake, 1 February 1963, CRS A1838/280, 3034/7/1/1 Part 1, NAA.
10 For the Manila Agreements see Mackie, Konfrontasi, pp. 148-99. The Accord put forward the concept of Maphilindo – a loose confederation of the three states. It was agreed that there would be no opposition to the inclusion of the Borneo territories in a Malaysian federation if an independent and impartial survey ascertained that this was the will of the people of these territories.
11 The proclamation date for Malaysia was changed on 29 August to 16 September in order to await the outcome of a UN survey of the wishes of the people of North Borneo.
became seriously jeopardised as his policy of political, economic and military confrontation intensified.¹²

To the Indonesians, Konfrontasi was in essence ‘a pattern of intense diplomatic pressure, press campaigns, mobilisation of public opinion and threat of military force’.¹³ For Britain and its allies, however, the declaration had the potential to escalate into open warfare, as during the next two years Indonesia’s diplomatic and military adventurism increased and its economy and internal political situation deteriorated.¹⁴ The British Embassy in Jakarta was sacked, subversive activities increased in Singapore and on the peninsula, raids into Sarawak and Sabah intensified, and sea and airborne attacks commenced on the Malaysian mainland.¹⁵ This resulted in a build-up of British and Commonwealth troops and direct military confrontation with Indonesian forces. Concerns rose with the increased rapprochement between China and Indonesia and the sharp decline in Indonesia’s relations with the US. But for all its posturing, threats and propaganda, which continued for over three years, Confrontation involved only limited military actions which did not escalate into open warfare. The strongest military threat occurred between September 1964 and the abortive coup of 30 September 1965. A gradual easing of the campaign began in the aftermath of the coup as Major General Suharto’s New Order (which followed the removal of Sukarno from Presidential office in March 1966) endeavoured to re-establish Indonesia’s international standing in order to resurrect its deteriorating economy.¹⁶ Confrontation formally ceased on 16 August 1966.

The significance of Confrontation was that it challenged Britain’s premise that a stable and non-communist Indonesia was essential for the stability of the region. The impact of Confrontation was broadened with the implications of Indonesia’s withdrawal from the UN, the strengthening of the Jakarta-Peking axis, and the

¹² Incursions began into North Borneo in April 1963.
¹⁴ ‘Indonesia – the Coup and after’, Current Affairs Bulletin, Vol. 38, No. 1, 30 May, 1966, p. 10, notes that from a base of 100 in July 1958, the cost of living index had risen to 2,450 by July 1964. In 1960 revenue covered 86 per cent of expenditure; from 1963, less than 50 per cent. By 1965, Indonesia owed about US $2 million, ten times more than in 1958 and by 1964 reserves of foreign exchange were dissipated.
¹⁵ Indonesian incursions on the Malayan peninsula began with the landing of a small groups of seaborne forces on the coast between Malacca and Singapore on the evening of 16 August 1964, and with the para-dropping of a similar sized force further inland near Labis two weeks later.
The situation was further exacerbated by Indonesia’s gradual isolation from the Afro-Asian nations, as it forfeited regional support and international esteem through its continued military incursions into neighbouring territories. But an immediate and quick military defeat of Indonesia by Britain would have left the way clear for either the PKI, hitherto held in check by the anti-communist army, to assume control, or for independence movements outside Java to fragment the country, justifying Sukarno’s claims of a neo-colonialist Malaysia. Britain was also mindful that neighbouring countries and the Afro-Asian nations perceived Confrontation as an Asian problem requiring an Asian solution, and was prepared to exercise restraint. Despite its own claims to Sabah, the Philippines worked to find a compromise and Thailand played an exhausting role as mediator between the two countries.  

Britain’s Position: A Final Hurrah

Following the attainment of independence by its major Asian possessions in 1947-48, Britain fully anticipated that its colonies in Southeast Asia would move gradually towards self-government and eventual independence. A beleaguered Britain, needing to overhaul and modernise its economy, could have reduced its global defence expenditure, but saw the necessity of preserving privileged access to its colonial markets and supplies as even more essential to its economic well-being. In Malaya, additionally, the preservation of colonial economic interests coincided with Western concern over the spread of communism in a ‘politically fragile but wealthy region’. At the conclusion of the Malay Emergency in 1961 Britain therefore sought to create a stable post-colonial regime ‘sympathetic to [its] interests’ and ‘offering base facilities in return for strategic protection if it became necessary’. Instead it found itself embroiled in diplomatic and political turbulence, armed conflict and an over-extension of its defence resources.

Britain was committed to the strategic protection of Malaysia under the 1963 extension of the 1957 Anglo-Malayan Defence Agreement, which had granted Britain the right to maintain naval, land and air forces in the new federation. This agreement was significant for the involvement of Australian and New Zealand forces in Confrontation, in that it also provided for a Commonwealth Strategic Reserve. The Reserve had an unspecified role and included all the Australian and New Zealand forces stationed in Malaya and a limited number of the British forces. Although the

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17 A comprehensive account of the documented and legal bases of the many and varied Filipino claims that surfaced during this dispute can be found in M.O. Ariff, *The Philippines’ Claim to Sabah: Its Historical, Legal and Political Implications*, Oxford University Press, Kuala Lumpur, 1970.  
prospect of an immediate major regional conflict was not foreseen, British authorities believed that ‘the logistical burden (of Confrontation) would be comparatively modest and the risk of defeat minimal’; they also planned for British troops to be reinforcement, rather than front line forces. These were important considerations, as at the time of Confrontation Britain was faced with outbreaks of violence and uprisings in Cyprus, Zanzibar, Kenya, Tanganyika, British Guiana and Swaziland. Consequently, having learnt the lessons of the inherent dangers of retaliatory action from the 1956 Suez crisis, Britain was restrained in its reaction to the sacking of its Jakarta Embassy and the takeover of British property in Indonesia. There was a determination not ‘to be precipitate or unnecessarily provocative’. It was also realised that a direct attack against Indonesia without US support would further jeopardise any British claims to continue as an independent world power. Nevertheless, US diplomatic support was small consolation when, with the deterioration in the balance of payments and strength of its currency, the British government found its military commitment was eventually far more extensive than had been predicted.

A further setback to Britain’s diminishing international, and particularly Far Eastern, influence and prestige occurred in its dealings with its traditionally supportive and obliging Commonwealth partners, Australia and New Zealand. Faced with a worsening domestic economic crisis and with its forces stretched to the limit in Southeast Asia, Britain soon realised that a major escalating conflict could not be met without a firm commitment of support from these allies. Both these countries became associated with the Anglo-Malayan Agreement in 1959 and extended this defence arrangement to Malaysia in 1963. But persistent British requests throughout 1963 and 1964 for Australian and New Zealand military support were unsuccessful. The main differences of opinion seemed to be in the emphasis that each placed on their interpretation of Indonesian intentions. It was only after the Indonesian landings in Malaya itself and in face of a major build-up of Indonesian forces in Kalimantan in late 1964 that the Australian and New Zealand governments provided Britain with the military support it sought. While the question of a British withdrawal east of Suez had arisen as early as 1957, the over-extension of British forces during Confrontation served to reinforce the inevitability of this decision, if Britain was to meet its African and NATO commitments.

As Confrontation drew to a close in mid-1966, Malaysia dealt the most salutary lesson of all to Britain. The Malaysian government and people reacted angrily to

19 ibid., p. 148.
21 Darwin argues that the ‘fundamental underlying assumption’ of Britain’s claim to be a world power depended on ‘the intimacy and stability of the Anglo-American relationship’ (‘Britain’s Withdrawal from East of Suez’, p. 144).
Britain’s announcement that it was unable to provide any further defence and economic aid. An acrimonious campaign against Britain by government ministers and the Malaysian press caused the relationship to deteriorate alarmingly. The reduction in immediate military dependence, with the formal ending of Confrontation, released pent-up frustrations and resentments. Although a dramatic break with Britain was avoided, public criticism of Malaysia’s erstwhile defender was open, as Malaysians became sceptical of British strategic dependability.\textsuperscript{22}

\textbf{The Australian and New Zealand Position: A Necessary Rethink}

Confrontation was an issue of greater concern to Australia than to New Zealand, which – apart from being further away from the conflict – was historically, economically and politically linked to the South West Pacific rather than to Southeast Asia. There did exist an ‘increasing awareness ... of the significance of Indonesia’ in New Zealand, but Indonesia was regarded ‘as Australia’s problem and not New Zealand’s’.\textsuperscript{23} Nevertheless, both countries held a strong belief in Commonwealth co-operation, and a desire to coordinate their external policies in crises. To this end, despite initial reluctance on the part of Britain and the US, Australia ensured that New Zealand was included from the outset in any joint assessments of the Confrontation situation.\textsuperscript{24}

Traditionally, security for Australia was conceived in terms of a stable strategic region directly to the north and, in the 1950s and 1960s, in defence and strategic matters New Zealand ‘was increasingly disposed to adopt perceptions and policies that closely paralleled’ Australia’s.\textsuperscript{25} The threat to Southeast Asian stability at this time was perceived to be any expression of aggressive communist or nationalist expansionism, particularly emanating from communist China, and the emotional and undisciplined nationalism of Indonesia. The disquiet felt at President Sukarno’s ideological and nationalistic approach towards the new federation, therefore, was compounded by concern about the growing power and strength of the PKI and the ability of Indonesia’s anti-communist army to stem this growth.\textsuperscript{26} Thus, while it was not in question that either country would refuse a direct Malaysian request for military assistance, the major strategic consideration became the maintenance of a continued

\textsuperscript{22}Cables from the Australian High Commissions in London, Kuala Lumpur and Singapore, 19 May 1966 to 10 October 1966, CRS A1838/318, 3027/11/51 Part 2, NAA.
\textsuperscript{23}Memorandum, Australian Acting High Commissioner Wellington to Canberra, 2 October 1963, CRS A1838/280, 3034/7/1 Part 5, NAA.
\textsuperscript{24}Departmental Minute, Secretary Department of External Affairs to Minister, 17 January 1963; Cablegrams 366 and 406, London to Canberra, 22 and 23 January 1963; and Cablegram 235, Washington to Canberra, 23 January 1963, CRS A1838/280, 3034/7/1/1 Part 1, NAA.
\textsuperscript{26}Memorandum 1097, Australian Ambassador Jakarta, to Secretary, Department of External Affairs, 3 June 1961, CRS A1838/280, 3034/10/15/1 Part 1, NAA.
British presence within the region, along with the US, to counterbalance the perceived Chinese threat. The rationale was clearly noted by Hasluck:

> The reality that has to be faced is that at present no balance to the power of China can be found in southern Asia. The balance has to be provided from outside Asia, and unless it is provided the region will fall under the domination of ... Peking.\(^{27}\)

There was also a recognition that regional stability required understanding and cooperation with the Southeast Asian states. Australia in particular set out to develop positive political policies towards the non-communist states of Southeast Asia and to create an atmosphere of regional dialogue in which Australian diplomatic initiatives could seek to obtain a political solution to the crisis and avert the threat of military hostilities.

Indonesia’s confrontation campaign against Malaysia was nonetheless a Commonwealth problem. As already noted, Australia and New Zealand had forces stationed in Malaya, in an unspecified role, as part of the Commonwealth Strategic Reserve through their association with the 1957 Anglo-Malayan Defence Agreement. The Australian component also formed a vital part of Australia’s commitment to its strategy of ‘forward defence’. But although Australian and New Zealand forces were thus deployed in Malaya at the outset of Confrontation, neither country had a formal commitment to the defence of Malaya. As the potential for a military conflict grew following Sukarno’s proclamation of *Konfrontasi*, although Australia and New Zealand accepted their obligations under the Anglo-Malayan Defence Agreement, action did not match rhetoric. Neither government was in a hurry to see Australian and New Zealand forces engaged against the Indonesians and each was determined to maintain control of its forces during this crisis, which added considerably to the strain on British military planning. The Australian and New Zealand Prime Ministers insisted that existing defence arrangements ensured that the deployment of these forces required prior consultation with Australia and New Zealand on each occasion that they might be used.\(^{28}\) A message from Holyoake to Barwick dated 4 February 1963 stated: ‘From the New Zealand point of view ... it would be quite impracticable for us to become too heavily involved. We are simply in no position to give guarantees of support ... any more than Australia is.’\(^{29}\) Ultimately, both governments regarded the British


\(^{29}\) Message, K. J. Holyoake to Sir Garfield Barwick, 4 February 1963, CRS A1838/280, 3034/7/1/1 Part 1, NAA.
government as primarily responsible for any action taken. Australia, in particular, while not ruling out diplomatic and defence initiatives, did not wish to take any action that could result in Indonesia regarding Australia as a ‘standing adversary’. Providing moral support for Britain did not mean that it necessarily followed that Malaysia was ‘a concept to be fought for, at any rate, as yet’.

When President Sukarno announced that he would ‘crush’ Malaysia, shortly after the proclamation of the new federation in September 1963, both the Australian and New Zealand governments found themselves with little room for diplomatic manoeuvre. They immediately pledged military support to the new state, but only in the form of arms, equipment and training. No combat troops were committed. For Australia ‘acute diplomatic embarrassment was obvious’: it had not been anticipated that these defence links would bring it into conflict with its closest neighbour. A Defence brief later concluded that ‘the primary responsibility should remain with Britain and that we should tag along very much in second place accepting no more than we have to to preserve our forward defence posture’. This position was maintained despite many British requests for troops throughout 1964. It was keenly felt in Britain, where an editorial in The Times noted that ‘Britain should not have to go cap in hand to two members of the Commonwealth to seek support in defending another against attack’. While Australian intelligence assessments of the situation concurred with Britain’s, they did not agree with the British perception of the degree of immediacy of the threat. Although some Australian and New Zealand troops had limited contact with infiltrating Indonesian forces in West Malaysia in September and October 1964, as late as January 1965 Cabinet still withheld its decision on Australian reinforcements for Borneo. The decision was finally taken on 27 January 1965, and on 4 February the announcement came that Australian and New Zealand combat forces would be deployed in Borneo.

At the same time, however, Australia and New Zealand had an additional policy objective. Even though the events of the World War II had demonstrated that

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30 Cabinet Decision No. 632, 5 February 1963, CRS A4940/1, C3739, NAA.
31 Discussion Notes, ‘Australian attitude to Malaysia and possible involvement in the British Borneo Territories’, Minister and External Affairs officers, undated, CRS A1838/280, 3034/7/1/1 Part 1, NAA.
32 Camilleri, *ANZUS*, p. 67.
34 Editorial, *The Times*, 7 January 1964, reported in Cablegram 92, London to Canberra, CRS A1209/85, 63/6637 Part 5, NAA.
35 Minute Defence Committee, 30 April 1964, CRS A1209/80; 64/6040 Part 2, NAA; Cabinet Decision No. 675 (FAD), 18 January 1965, CRS A4940/1, C4024, NAA.
36 Cabinet Decision No. 690 (FAD), 27 January 1965, CRS A4940/1, C1473, NAA.
their military relationship with Britain was becoming of secondary significance, both Australia and New Zealand firmly believed that a continued British military commitment in Southeast Asia was strategically essential for regional stability and the maintenance of a forward defence stance. Australia and New Zealand simply did not have the capability to shoulder the Commonwealth’s strategic responsibilities in the region. Both countries were also aware of Britain’s application to join the European Economic Community (EEC) and realised that this eventuality would result in a British withdrawal east of Suez. Furthermore, having supported Dutch claims during the protracted West New Guinea dispute, Australia learned that it needed the support of its major allies in regional disputes. Realities had to be faced, and a credible *modus vivendi* established that would support a policy of maintaining the Australia-Indonesia relationship while acknowledging the commitment to Malaysia’s territorial integrity.

The government acknowledged that it was time to establish a regional identity or run the risk of being geopolitically isolated. It accepted that it would have to negotiate the diplomatic minefield created by the Confrontation campaign independently. The lessons to be drawn were found in a closer look at regional policies, which would incorporate firmness with flexibility and conciliation.37 As a consequence, in response to Britain’s calls for military support to combat Indonesia’s aggression, Barwick decided that the best option was ‘a carefully graduated response’ and that any military assistance ‘should be clearly related to a need and not merely be a gesture’.38

The truth was that Australia and New Zealand lacked the means to make more than token military forces available for overseas service. To compound this dilemma, there was the possibility that troops would be required to provide support for the US in Vietnam, as well as a potential conflict that could develop with Indonesia along the border between Papua New Guinea and West Irian. By the end of 1964 the patience of the British and American governments, who had been advocating a larger Australian and New Zealand share of the defence burden in the region, had been tried by the delay in Australia and New Zealand making a definite military commitment. As the potential for escalation in confrontation increased, therefore, Australia in particular was forced to heed the promptings of its defence alliance partners and look to create a larger army field force. Although the government had already announced an increase of £206 million spread over five years in the 1963 Defence Review, on 10 November 1964 this was increased by fifty per cent. It was also announced that the undertaking to raise the numbers of personnel available for possible overseas service necessitated the

37 Hudson suggests that ‘Australian diplomacy in the sixties seemed at last to show an assurance, an air of professional competence, not seen before’ (W.J. Hudson, *Australian Diplomacy*, Macmillan, Melbourne, 1970, p. 74).
38 Cablegram 5286, Message Barwick to Duncan Sandys, UK Foreign Secretary, 16 December 1963, CRS A4940/1, C1473 Part 1, NAA.
introduction of a system of two years’ selective service, which was to commence from January 1965.\footnote{Cabinet Decision No. 768, 29 April, 2 May 1963, CRS A4940/1, C3640, NAA; and Ministerial Statement, Sir Robert Menzies, Defence Review, \textit{Commonwealth Parliamentary Debates}, House of Representatives, Vol. 44, 10 November 1964, pp. 2715-24. The New Zealand defence budget was increased only to allow for the acquisition for additional equipment. National Service, abolished in 1958, was reintroduced in New Zealand in 1962. There was no requirement for overseas service for New Zealand personnel as there was for their Australian counterparts.}

Despite these undertakings, it was recognised that a military solution would not necessarily be the final one. Hasluck contended that ‘military resistance to aggression deals only with the edges of the problem’ and that even while engaged militarily, ‘restraints and inducements of a diplomatic kind have to be considered’.\footnote{Hasluck, ‘Australia and Southeast Asia’, p. 60.} Australia and New Zealand determined to rely on the assessments of their own intelligence services and respond accordingly. In answer to Britain’s many requests for troops, just one Australian Army Engineer Squadron was sent to Borneo in April 1964. This token commitment was provided, however, only after Barwick felt he had gained a US assurance of the applicability of the ANZUS Treaty to Australian and New Zealand troops in that area.\footnote{A Record of Understanding as to the conditions under which the US would support Australia and New Zealand militarily in Borneo was agreed to between President Kennedy and Sir Garfield Barwick on 17 October 1963.} New Zealand in fact had been ready to respond in December 1963 to Britain’s first appeal for troops. This thinking was reversed to avoid a situation developing ‘in which Australian and New Zealand troops replaced the two British battalions and thus became the only “white faces” fighting the Indonesians’.\footnote{Cablegram 273, Report on a discussion between Australian External Affairs representatives in Wellington and the Chairman, NZ Joint Intelligence Committee and Assistant Secretary External Affairs on 4 May 1964, 5 May 1964, CRS A1209/80, 64/6040 Part 2 NAA.} The paramount question that had to be considered was whether the small military contribution that could be made would compensate for the loss of diplomatic initiative. Australia’s reply to direct appeals by the British Prime Minister, Sir Alec Douglas-Home, reiterated by New Zealand, stated:

\begin{quote}
We face an unhappy choice. We are sensitive to the burden you are carrying in Malaysia ... But our military advisers have expressed their opinion that at the level of conflict which now exists, there is no pressing military requirement to commit Australian combat forces to action in Borneo ... The Cabinet has therefore concluded that ... we ought not at present to provide either the battalion or the SAS troops. We are at the point where our various contributions to Malaysian defence are significant and substantial, but yet we are not open to the
charge of widening the scope of hostilities and rendering a peaceful outcome more difficult.\footnote{Message, Sir Robert Menzies to Sir Alec Douglas-Home, 15 May 1964, CRS A1209/80, 64/6040 Part 2, NAA.}

The Australian Department of External Affairs considered that there were two main broad principles behind Australia’s attitude, should military operations be unavoidable. Firstly, that such operations must be carried through swiftly and successfully. Secondly, that the aim be limited to reproof and containment and not to the ‘defeat’ of Indonesia.\footnote{External Affairs Departmental Paper, sent to London 17 September 1964, CRS A2908/1, M120 Part 2, NAA.} This stance was passed on to British authorities in September 1964, at potentially the most dangerous crisis point of confrontation, as Indonesian incursions onto the Malayan peninsula commenced. The fact that no retaliatory British and/or Malaysian military action was taken allows consideration for the suggestion that the Australian and New Zealand stance may have influenced Britain not to attempt to settle the issue with overwhelming force.\footnote{Greenwood suggested that the ‘attitude of counselling caution … was not uninfluential’ and that ‘Australian diplomatic reinforcement of … the more restrained Foreign Office view may well have been important in preventing over-precipitate action leading to outright war’ (G. Greenwood, ‘Australian Foreign Policy in Action’, in G. Greenwood and N. Harper (eds), \textit{Australia in World Affairs 1961-1965}, F. W. Cheshire, Melbourne, 1968, p. 111.}

**Severing the Apron Strings**

Confrontation served to confirm the notion first apparent after the fall of Singapore in 1942 that for Britain and its strongest Pacific allies, things would never again be the same. In acknowledging that their relationship with Indonesia was not the same as Britain’s, Australian and New Zealand policy-makers realised the inadequacies of the traditional approach of blithely following Britain. They began to work more closely with, and give more credence to, their own diplomatic officers, leading to a growing diplomatic professionalism in the efforts of both countries’ Ministers for External Affairs and their Departments. Their representatives in Jakarta and Kuala Lumpur, supported by those in all other posts involved, displayed initiative, firmness and forbearance. Feeling less immediacy, the diplomatic efforts of the New Zealand government in the early stages were ‘the more decided and the less conciliatory’ and the less ‘inclined … to canvass diplomatic opportunities’.\footnote{T.R. Reese, \textit{Australia, New Zealand and the United States: A survey of International Relations 1941-1968}, Oxford University Press, London, 1969, pp. 218-19.} New Zealand efforts became more pronounced when Malaysia took its case to the UN Security Council following the peninsular landings in 1964. Indications that independent diplomatic strategies could be devised towards Southeast Asia were further borne out by the continuation of
Australia’s aid programme to Indonesia throughout the dispute, even in the face of the withdrawal of British and American aid. 47 The implementation of a policy to assist in the defence of Malaysia’s territorial integrity, while recognising that friendly relations with Indonesia were essential, was acknowledged as being in the long term interest of all parties. But as the former Secretary of the Australian Department of External Affairs, Alan Watt, noted at the time, it would call ‘for hard thinking, imagination and initiative’. 48

Confrontation turned around the complacent frugality of Australian and New Zealand defence spending, particularly in view of the ambivalent attitude of the US, which was committed in Vietnam, towards the issue. The US, while supporting Malaysia, considered it vital that Indonesia not be driven towards the communist bloc. Moreover it perceived Confrontation as a British and Commonwealth problem and was determined not to be involved. For both Australia and New Zealand, however, American protection under the ANZUS Treaty was integral to their concept of national security and the focal point of both nations’ defence and foreign policies. Without New Zealand’s knowledge, Australia made every effort to gain a US assurance of the applicability of the Treaty to Australian and New Zealand forces should they be deployed in Borneo. However it had to be content with an assurance of military support that did not include the assistance of land forces. 49 This situation was perhaps more difficult for Australia than it was for New Zealand, as New Zealand did not view the ANZUS relationship with quite the same degree of reverence and was always more ready than Australia to voice its disagreement with the US. In this instance, however, Australian policy-makers were less concerned with ensuring American protection for Australian troops than they were with trying to ensure a continued US, as well as British, presence in the region. To this end it was accepted that gaining US military support in Borneo would reduce the flexibility of Australia’s options in future provision of Australian assistance in Vietnam. Australian policy-makers also sought American reassurances of their ANZUS obligations in order to exert diplomatic pressure to deter Indonesia from extending its campaign, much to the chagrin of the US administration, which wished to remain uninvolved in the issue. The uncertain and tortuous path to this understanding with the US, however, resulted in Australia and New Zealand having to face the sobering fact that a continuing American interest in Southeast Asia was no more inevitable than was a continuing British presence. Above all both countries recognised that their defence and foreign policies required reorganisation.

49 Letter, Barwick to Menzies, 22 October 1963, CRS A1838/340, 270/1/1 Part 3, NAA.
Although Confrontation eventually involved more than 50,000 British, Malaysian, Australian and New Zealand troops, together with a major display of air and naval strike power, it did not escalate into a serious military conflict. In the end, Indonesia found that it proved too ideological to be sustained against the effects of the deteriorating economy and the sense of isolation which Indonesians felt as the policy alienated Western nations, failed to arouse the neutrals and ... came to depend ... on the support of Communist China.50

Confrontation was of major significance to the region, however, not only as a volatile strategic crisis, but also for the degree of political and diplomatic turmoil brought on by the interaction of the twin forces of communism and nationalism that endured for its duration. The problem to be faced was basically one of balance of power, both external and internal to Indonesia. If Indonesia was successful in ousting the British presence from the region, as it intended, none of its neighbours was in a position to match it militarily, and its regional domination, with all its characteristic precarious and undisciplined policies, would have been assured. Given Indonesia’s increased leaning towards communist China and the growing strength of the PKI, this domination would have presented an infinitely more disturbing power scenario for the region.

Conclusion: Establishing Some Limits to ÔForward DefenceÔ

Britain was explicitly committed to assist Malaysia against Indonesia’s campaign through its Commonwealth and treaty obligations. However the consequent strain placed on its military resources, and the drain made on its worsening economy even by such a minor conflict, served to reinforce Britain’s realisation of the inevitability of its withdrawal from Southeast Asia. The events of Confrontation also made British policymakers aware of the level of consultation and input now required by two of its traditionally supportive partners when involved in Commonwealth issues.

Confrontation caused both Australia and New Zealand to look more closely at their regional policies together with their strategic and defence planning. Yet in the final analysis, it must be said that the experience had to be more unnerving, traumatic and fraught with complexities for Australia than it was for New Zealand. Australia was faced with a potential ‘situation of long-term and inescapable vulnerability’, and had to learn ‘in essence, how to live in reasonable safety though located on the rim of an area which is statistically crisis prone’. It was also a region in the grip of social, economic

50 See Grant, Indonesia, p. 41.
and demographic changes, with the perceived potential to be dominated by the growing influence of communist China. Greenwood argues that 'Australia was in fact walking a tightrope in an area which it regarded as critically important to its defence, one where British and American defence systems met and where lines of responsibility were not clearly drawn'. Therefore the decision to embark on a policy to preserve friendly relations with both Malaysia and Indonesia was a milestone for Australia in its foreign policy-making and diplomatic endeavours, as long-term rather than short-term solutions were sought. It was realised that regional problems could be handled with independent diplomacy and that it was neither necessary nor beneficial to always follow the stance taken by the major powers.

Strategically, Confrontation highlighted the need for Australia and New Zealand's traditional policy of forward defence to be redressed. Defence programmes had to be designed not to act alone, as that was not within either nation's capability, but to enable both to accept a larger share of the burden carried by Britain and the US in the region. The reality also had to be faced that although an assurance was obtained that the ANZUS Treaty applied in relation to Australian and New Zealand troops in Borneo, subsequent American behaviour and diplomatic irritations 'served to illustrate ... that not only was it a matter for unilateral decision by the US as to whether it would implement the Treaty, but also the scope of its application'. Again the lessons to be drawn were more difficult for Australia to address, as ANZUS had never quite dominated New Zealand's policy to the same extent as it had Australia's. New Zealand's subsequent refusal to allow American nuclear armed warships into its waters has perhaps shown that New Zealand in fact learned the greater lesson in striving 'for a more coherent regional policy independent of great power involvement'.

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History has relegated Confrontation to a minor episode on the international conflict agenda, despite the enormous economic, political, social and personal havoc it wreaked throughout Indonesia. Yet it awakened an entire region to its collective responsibility to seek and maintain the stability and well-being of the whole. It saw the last of the regional colonial powers perform its final hurrah with restraint and to effect, and set two small states, peripheral to the conflict, on the path to reassessing their strategic

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52 Greenwood, 'Australian Foreign Policy in Action', p. 330.
54 Camilleri, ANZUS, p. 130.
planning and to gaining the confidence to develop and implement less dependent foreign policies.