Spinning the secrets of state:
The history and politics of intelligence politicisation in Australia

A thesis submitted in fulfilment of the requirements for the degree of
Doctor of Philosophy

Justin T. McPhee
B Soc. Sci.
B Soc. Sci. (Honours)
RMIT University

School of Global, Urban and Social Studies
College of Design and Social Context
RMIT University

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Declaration

I certify that except where due acknowledgement has been made, the work is that of the author alone; the work has not been submitted previously, in whole or in part, to qualify for any other academic award; the content of the thesis is the result of work which has been carried out since the official commencement date of the approved research program; any editorial work, paid or unpaid, carried out by a third party is acknowledged; and, ethics procedures and guidelines have been followed.

Justin T. McPhee

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## Abbreviations

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<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>ABC</td>
<td>Australian Broadcasting Corporation</td>
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<tr>
<td>AICD</td>
<td>Association for International Cooperation and Disarmament</td>
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<tr>
<td>ALP</td>
<td>Australian Labor Party</td>
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<tr>
<td>APL</td>
<td>Australian Protective League</td>
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<td>ASIO</td>
<td>Australian Security Intelligence Organisation</td>
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<td>ASIS</td>
<td>Australian Secret Intelligence Service</td>
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<tr>
<td>CEB</td>
<td>Counter Espionage Bureau</td>
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<tr>
<td>CIB</td>
<td>Commonwealth Investigations Branch (Attorney General’s Office)</td>
</tr>
<tr>
<td>CPA</td>
<td>Communist Party of Australia</td>
</tr>
<tr>
<td>CSS</td>
<td>Commonwealth Security Service</td>
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<tr>
<td>DSD</td>
<td>Defence Signals Directorate</td>
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<tr>
<td>IWW</td>
<td>Industrial Workers of the World</td>
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<tr>
<td>NA</td>
<td>National Archives (UK)</td>
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<tr>
<td>NAA</td>
<td>National Archives of Australia</td>
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<tr>
<td>ONA</td>
<td>Office of National Assessments</td>
</tr>
<tr>
<td>PJCAAD</td>
<td>Parliamentary Joint Committee on ASIO, ASIS and DSD</td>
</tr>
<tr>
<td>SIB</td>
<td>Special Intelligence Bureau</td>
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<td>WFTU</td>
<td>World Federation of Trade Unions</td>
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Research Summary

Australian security intelligence organisations collect, analyse and disseminate information relevant to the security of the nation and the protection of its citizens. Ideally, the intelligence function should be politically neutral, and detached from the policy objectives of the government it serves. Its purpose is to supply impartial advice to political leaders to assist with the development of national security policy. But what happens when intelligence ceases to be impartial and is used as a political means to support a policy preference? More significantly, what happens when intelligence is manipulated to achieve this aim? The short answer is that intelligence becomes politicised. But findings in this study show that the term ‘politicised intelligence’ is perhaps a simple way of describing a complex process. Questions remain about what this process involves, how it occurs, and what function it serves that require a more detailed explanation. For example, how does intelligence become politicised? What constitutes politicisation, and in what forms can it appear? And, what are the general preconditions that are likely to invoke such actions?

*Spinning the secrets of state* answers these questions by providing a history of intelligence politicisation in Australia from 1901 to 1975. While a growing body of research explores the history and functions of the Australian intelligence community, little is known about the problem of intelligence politicisation in Australia. Remarkably, the variety of forms that constitute politicisation, and the conditions under which it can occur are even less clear.
This study identifies the forms and clarifies its emergence. Drawing on archival documents, political manuscripts, *Hansard* publications and historical newspaper accounts the study presents several case histories of politicised intelligence in Australia. The study develops an empirical framework in which to theorise about how politicisation occurs, and pays close attention to identifying and explaining the conditions enabling this behaviour to arise.

To develop this framework, the thesis is divided into three core sections. Section one begins by establishing the context of the study, outlining the research questions, and introducing the central argument. It then reviews some of the major studies and theoretical perspectives in the academic literature that guide the subsequent analysis. Section two provides several historical case studies. Each case study presents evidence of politicisation in Australia identifying and explaining the means, forms, and conditions under which politicisation occurred. The final section presents the answers to the principal research questions and offers an assessment of the overall findings.

In this thesis, findings indicate that when political leaders face strong opposition to a policy choice they are sometimes tempted to politicise intelligence to overcome that resistance. In doing so, the politicisation of intelligence is often used as a means of promoting a policy goal by selectively disclosing secret information to support that goal. In this way, intelligence is used to persuade a sceptical audience toward the wisdom of a policy decision either through targeted leaks, public disclosure and the publicisation of secret information.
Additional findings indicate that secret intelligence can be an effective means of discrediting political opposition and the intentions and authenticity of activist political groups. In short, this study argues that politicising intelligence offers a means of advancing preferred policy interests through promotion and persuasion while also offering a means of undermining the authority and legitimacy of opposition groups.

The findings of the study suggest that intelligence organisations might also engage in acts of politicisation, but for different reasons. For instance, intelligence organisations may use their own resources to undermine the political leadership, or subvert a desired policy goal of a government, if they believe that policy or administration is a threat to their organisational interests. In this context, politicisation is a means of political subversion.

The study shows that politicisation can take on several different forms ranging from direct political intervention, where intelligence is forced to conform to policy preferences, through to more subtle variations occurring through unintended analytical biases. Explanations as to what conditions cause intelligence to be used for political purposes can be grouped around three variables: turbulent political and social circumstances, and conditions relating to the amount of ministerial oversight and control exercised over the intelligence service.
In the following chapters, this study describes in greater detail the way in which these means and forms can facilitate politicisation, and provides an empirical evaluation of the broader conditions that invoke this behaviour by analysing its historical context.
Part I

Introduction
Chapter One
Context, history and theory

When the eyeglasses are out of focus, everything one sees through them is distorted.
(Jacques Ellul 1965: 61)

Taking a nation to war is, perhaps, one of the most contentious decisions a political leader will have to make. Even more contentious is the manipulation of national security intelligence as evidence to support that decision. In April 2013, on the tenth anniversary of the Iraq War, former Prime Minister John Howard remarked on what he called the 'eternal dilemma' of intelligence. In a speech delivered to the Lowy Institute in Sydney he said that ‘almost always, the art of intelligence assessment involves assembling a mosaic from varying, incomplete and sometimes contradictory sources. Intelligence assessments’, he claimed ‘never produce evidence beyond a reasonable doubt’ (Howard 2013). Howard’s statement is a clear departure from the confidence that his government had placed on intelligence ten years earlier.
Prior to the Iraq War, which began in March 2003, intelligence assessments formed part of a very public campaign to build political support for the intervention. On several occasions, Australian political leaders publicised intelligence–derived information from Australia, the United States, and Great Britain in support of their claims that Iraq possessed weapons of mass destruction.¹ The available intelligence indicates Saddam Hussein has continued to work on his chemical and biological capabilities and has maintained his nuclear aspirations’ John Howard told the Federal Parliament on 18 March 2003. The Prime Minister then declared that, ‘Australia has joined a coalition, led by the United States, which intends to disarm Iraq of its prohibited weapons of mass destruction’ (House of Representatives 18 March 2003: 12505 & 12507).

Iraq’s weapons of mass destruction (WMD) were never found. Concerns were raised as to whether political leaders prevailed upon intelligence information as a pretext for their actions. Widespread criticisms — some offered by members of the Australian intelligence community — contended that intelligence was politicised in order to rationalise the case for military intervention.² Two official government inquiries followed.³ Both inquiries


addressed the accuracy of intelligence presented to the Australian government, but judgments regarding the politicisation of intelligence were given less consideration.

Official indifference to the problem of politicisation, however, is not without precedent in the Australian context — and the Iraqi WMD case is but one of many examples. On several other occasions, intelligence has been used to serve political ends. For example, in 1987, analysts at Australia’s Defence Intelligence Organisation (DIO) predicted the military coup in Fiji, but this assessment was never disseminated to policy-making officials because senior management feared that drawing inaccurate intelligence conclusions would damage their careers. Later in 1995, Joint Intelligence staff in Darwin produced several intelligence assessments on potential military threats to Northern Australia that uncovered flaws in defence force planning. The assessments were buried because the findings contradicted the views of senior policy-makers in Canberra. In 1999, an intelligence report compiled by Joint Intelligence staff in Brisbane predicted the result of the referendum in East Timor and the likely reaction by the Indonesian government. Senior policy-makers in Canberra rejected the assessment because the advice ran counter to their policy

preferences. Subsequently, the assessment was suppressed (Parliamentary Joint Committee on ASIO, ASIS and DSD 2003: 7–8). ⁴

The aforementioned examples are of more than anecdotal importance. They reveal a consistent trend whereby political leaders engage in the practice of politicising intelligence to either promote a preferred policy outcome, or ignore intelligence when it does not suit their political predispositions (Pillar 2006: 19). Throughout Australian political history, this pattern has been repeated. But reasons as to why political leaders might engage in politicising intelligence and questions regarding how it can occur have been subject to a lack of candour and have not received adequate attention. This thesis attempts to address that problem.

*Spinning the secrets of state* is an historical study of how Australian national security intelligence has been manipulated for partisan political purposes. In other words, it is a history of intelligence politicisation specifically within the Australian context. In scope, the study ranges from the first intelligence operations conducted at the time of the Commonwealth’s formation in 1901 until the first substantial review of their powers and conduct in 1975. This time frame was chosen, first, because the richness of archival sources available made the study stronger, and second, it then enables a more rigorous exposition of the contemporary dimensions about intelligence politicisation to take place. After all, the Iraq case of 2003, might be thought of as the

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'spectacular’ case of politicisation, however, as the following chapters will show, the historical record of the last century is replete with similar ‘spectacular’ cases. This thesis will contend that intelligence politicisation in the Australian context is not spectacular but routine, however, understanding how and why it occurs is under theorised and under researched. Part of the object of this study is to clarify theoretical insights into the subject.

To contextualise the subject and provide a richer understanding of the events described in this study, the material often covers aspects of political and social history, including perspectives on organisational culture and legislative measures of the time. In doing so, the study employs a qualitative approach to a multiple case study methodology, and is intended to deliver a broad history of how intelligence organisations function when interacting with politics and policy, specifically analysing how politicisation can result from this interaction.

*Spinning the Secrets of State* is not a complete history of the Australian intelligence community — this has been dealt with extensively elsewhere. It does, however, reconstruct several important episodes of that history focusing specifically on instances of politicisation that have not been dealt with in great detail. Each chapter is designed as a stand–alone study focusing on a specific era

of Australian intelligence history. Each chapter describes how politicisation occurred under various political administrations identifying problems in the relationship between Australian intelligence organisations and government, and explains how intelligence was corrupted and used to serve partisan political interests. At a broader level, the study analyses the causes of this behaviour and describes what factors contribute toward intelligence becoming politicised. The evidence presented in each chapter draws on previously classified intelligence material, archival documents, political papers and other primary sources to reveal Australia’s hidden history of politicisation.

**Key terms and definitions**

To assist the reader from the outset, I attempt a definition of two key terms used throughout this study — intelligence and politicisation. I shall start with the first and move on to the second.

Although intelligence has been practiced in Australia for over a century, the term *intelligence* remains notoriously difficult to define with any precision. The academic literature on the subject is filled with various attempts to articulate a definition, although with mixed success (Warner 2002, 2008; Wheaton & Beerbower 2006). In defining intelligence, there has been an evolution of the term in the United States literature on the subject. In 1957, Washington Platt argued that intelligence was ‘a meaningful statement’ derived from carefully selected information intended to make national policy problems clear (Platt 1957: 8). Another early attempt suggested that:
Intelligence is the official, secret collection and processing of information on foreign countries to aid in formulating and implementing foreign policy, and the conduct of covert activities abroad to facilitate the implementation of foreign policy.

(Random 1958: 76)

As soon as this definition appeared, it attracted criticisms. As one critic noted, not all intelligence is officially conducted, nor is it always focused on aiding foreign policy. Intelligence can be obtained from open sources and it often focuses on aiding domestic policy as well (Bimfort 1958: 77).

Later definitions began to focus on intelligence as a form of knowledge creation. For example, Klaus Knorr wrote in 1964 that intelligence is: ‘an operation for procuring and processing information’, while in 1965, Sherman Kent in his seminal book Strategic Intelligence made a similar judgement (Knorr 1964: 1). ‘Intelligence’, according to Kent could be best defined as ‘the knowledge which our highly placed civilians and military men must have to safeguard the national welfare’ (Kent 1965: vii). Robert R. Bowie condensed these definitions into broad and simple terms, but one that again focused on knowledge creation. ‘Intelligence’ Bowie claimed ‘is knowledge designed to assist action’ (Bowie in May 1986: 3).

The tendency to define intelligence within a narrow framework of knowledge creation is also evident in the Australian context. In 1977, Justice Robert Hope, in his Royal Commission report on Australian intelligence agencies quoted Kent’s definition of intelligence as subset of knowledge creation (NAA: A 8908, 3 A: 15). Remarkably, past definitions of intelligence have been carried
down to the present day, with little modification. For example, in 2011 former Director General of the Office of National Assessments, Allen Gyngell, described intelligence as ‘useful information’, while the Director of the Australian Secret Intelligence Service, Nick Warner, recently said that ‘intelligence in our particular realm can be defined as secret information gleaned without the official sanction of the owners of that information’ (Gyngell 2011: 2; Warner 2012:3).

The above definitions reveal two important points. First, thinking about defining intelligence in the Australian context over the last thirty years has not significantly evolved. Second, there has been a lack of interest in theorising on the subject.

US scholars of intelligence continue to examine the evolving context of defining intelligence, and now recognise that intelligence is more than information and the creation of knowledge. Some now suggest that its purpose — to inform policy decision-making — must be included in any concise description (Sims 1995:4). Mark Lowenthal’s definition of intelligence as ‘information that meets the stated or understood needs of policy-makers and has been collected, processed, and narrowed to meet those needs’, follows this convention well, as do several others (Lowenthal 2006: 2). But there is another element that some authors suggest must be added to any concise definition of intelligence — the secrecy that surrounds the collection and protection of government information (Shulsky 1995: 17; Warner 2002; Gill & Phythian 2012:

Even more eclectic definitions can be found in an examination of the broader literature on the subject, but the purpose here is not to review this material. It is, rather to show the uncertainty and variability among specialist on the issue. With the use of the aforementioned examples, I use the term intelligence in a broad sense so that it embraces the following areas:

Intelligence is: a secret state activity. It is the collection of information from open and closed sources, and the collation and analysis of such information. Intelligence is a product, designed to reduce uncertainty and provide impartial advice to government for assisting policy development. Intelligence in a broad sense includes all of these attributes.

Just as definitions of intelligence are debated in the literature, so too, are definitions of intelligence politicisation. The term has appeared in a number of discussions about the relationship between politics and society and intelligence and policy, as a result it is often defined using different interpretations. It is possible to analyse and attempt to understand the politicisation of intelligence both in a general and specific sense. Some observers using the broad approach have suggested that politicisation may be used to mean ‘the act of suffusing everything with politics and dragging it into the political realm’ (Ellul 1972: vii). Australian economic historian, Ronald Hartwell, in his introduction to The Politicization of Society argues that the term politicisation means ‘a pervasive tendency for making all questions political questions... and all decisions political decisions’ (Hartwell 1979: 14). The defining characteristic of this broad point of
view is that, the act of making the apolitical political is designated as politicisation.

Politisation, in regard to intelligence is usually conceptualised more narrowly. It tends to focus on two characteristics: (1) the manipulation and distortion of intelligence analysis, and (2) the political misuse of the intelligence product for partisan purposes. As a result, there is disagreement in the literature about attributing responsibility for performing the act of politicisation. For example, Stephen Marrin (2013) argues that intelligence politicisation is the distortion of intelligence to conform to policy preferences by analysts. This is not necessarily so for John Gentry (1993) and Joshua Rovner (2011). They use the term to describe the manipulation of the intelligence product by policy-makers to support policy preferences. As Gentry argues, intelligence politicisation is:

The alteration of an otherwise objective, methodologically sound course of the conception, production, and review of an intelligence product to serve a personal, bureaucratic, ideological, policy, or political purpose.

(Gentry 1993: 230-231)

Other scholars take a more generalised approach arguing that intelligence politicisation is not the product of one specific group, but occurs as a result of both analytic distortions and the improper political use of the intelligence product (Pillar 2010; Lucas 2011). As this brief discussion reveals, consistent definitions of intelligence politicisation are hard to find, even in a broad sense.

This thesis recognises the difficulty in defining the term and advances a definition — not exhaustive, unique or exclusive of all others — but one inferred from several key authors on the topic. In this study, the politicisation of
intelligence, as I use it, refers to the actions of intelligence officers and political leaders but constitutes: the manipulation of intelligence to reflect a preferred policy outcome; to vindicate a policy choice; or alternatively, the manipulation of intelligence to undermine the success of a policy goal (Ransom 1987; Handel 1987; Hastedt 1987; Gentry 1997; Treverton 2008; Rovner 2011). In the course of this study, the term politicisation will be applied with varying emphasis. At some points the emphasis will be on the actions of political leaders, while at other points it will focus on the actions of intelligence officers, but overall the definition will remain constant.

**Research Questions**

The first question addressed in this study is designed to provide a better understanding of why political leaders, or intelligence organisations, might engage in the act of politicising intelligence when the practice is recognised as damaging to both intelligence organisations and political leaders (Betts 2007: 74). The purpose of question one is to probe what motivates this behaviour, to explore what is achieved by doing so, and to investigate how politicisation takes place. Question one asks:

*How, and by what means has intelligence been politicised in Australia?*

Intelligence politicisation, the literature suggests, can assume a variety of forms and connote numerous meanings. For example, in 1987, Professor Harry Howe Ransom, one of the first scholars to examine the subject of politicised intelligence concluded that ‘politicization has multiple meanings’ (Ransom 1987:
Put another way, Ransom’s thesis suggests that politicisation can manifest in a variety of forms, and that the techniques of manipulation lack uniformity. This theme runs throughout the current literature. In 2008, Gregory F. Treverton concluded that ‘politicization can have at least five different if overlapping meanings’ (Treverton 2008: 93). Rovner’s (2011) study identified eight varieties, while two subsequent articles (Marrin 2013; Hastedt 2013) suggest several other variations. Notably, all of these studies reflect the continued interest in theorising on the subject in the United States and a conspicuous absence of this methodological overview in the Australian literature. Question two of this study was designed to address this issue by assessing the manifold forms of politicisation that could be found in the Australian context. In doing so, question two asks:

*Which forms of politicisation can be found in the Australian context?*

Just as the literature identifies various assumptions about what politicisation achieves and what forms it can take on, so too, there are assumptions about what causes politicisation. According to Paul Pillar, ‘context is all-important’ when attempting to explain why politicisation can occur (Pillar 2006:21). Question three is designed to probe the subject of intelligence politicisation beyond articulating the means and identifying the various forms. The intention is to identify whether intelligence politicisation is contingent upon broader external factors such as the political, social, and organisational environment in which it takes place. To explore this theme, question three asks:

*Under what conditions has intelligence been politicised in Australia?*
Thesis structure

In order to answer the proposed research questions this thesis is divided into three core sections. The first, and remaining section of this chapter is devoted to outlining the central argument advanced in the study. Next, a description of the primary sources of information is provided. Section one concludes with a review of the key academic literature on Australian intelligence history and the theoretical aspects of politicisation that inform this study.

Section two of the study is comprised of five historical case study chapters. These chapters are used to construct the historical narrative in which I analyse examples of how intelligence can become politicised. Each case study provides preliminary conclusions identifying the means of politicisation, the specific forms of politicisation that occur, and the conditions under which it took place. Chapter two is titled: ‘Agent of empire or servant of the nation 1901–1910’ and examines the way in which the governments of Edmund Barton and Alfred Deakin used intelligence to enhance the success of their defence and foreign policy preferences. The findings of this chapter indicate that political conditions underpinned by strategic considerations, unique to Australia at the time, played a significant role in shaping how intelligence was used to achieve a desired political outcome.
The third chapter titled: ‘Loyalty and allegiance: Australian intelligence, radical politics and conscription 1914–1918’, represents an even more serious case of politicisation where the government of William Morris Hughes used intelligence as a means of incriminating those who opposed the policies of his government during Australia’s involvement in World War One. In this chapter, political and social conditions were motivating factors, which drove the Hughes government to manipulate intelligence in order to vindicate their policy objectives, while also deriding political opposition.

Chapter four titled: ‘Systems error: Intelligence inquiries, politicisation, and administrative ruination 1940 – 1948’, examines the turbulent development of the Australian intelligence community during the Second World War. The chapter focuses on how the administrative behaviour and institutional culture of government at this time created a highly politicising environment which led to a series of conflicts over the administrative control of the Australian intelligence services. The findings of this chapter show how organisational factors can be a driving force behind the politicisation of an intelligence service.

The fifth and sixth chapters examine the politicisation of the Australian Security Intelligence Organisation (ASIO) during the period of 1950 through to 1975. The first case study entitled, ‘Red revelations: ASIO and the Australian Parliament 1949–1972’, demonstrates how ASIO intelligence material was used to support and justify the conservative government's anti-communist political agenda. The final case study, ‘From the shadows to the spotlight: Intelligence leaks, subversion, and media intercession 1972–1975’, examines an episode in
which some ASIO officers intentionally manipulated the Australian news media to express criticisms of the Whitlam government and leaked intelligence to news media outlets to propagate their own political agenda to the public. The findings of these chapters reveal that political, social, and conditions related to ministerial control all contributed to intelligence serving a political purpose.

Section three concludes the study. Chapter seven draws together the findings of each case study chapter and presents the final analysis of the research questions. In doing so, the chapter synthesises the overall findings and provides a detailed analysis of the means and forms of politicisation found throughout each case study identifying what conditions made this possible. Chapter seven concludes by reflecting on the implications of the findings and the future of intelligence and policy relations in Australia.

Argument

The central argument presented throughout this thesis is based on two propositions. The first involves evaluating what purpose politicising intelligence serves. I argue that political leaders engage in politicising intelligence for three primary reasons. The first is to promote contentious policy choices. In the words of Lawrence Freedman, ‘the advantage of using intelligence as a promotional device lies in its authority’ (Freedman 2004: 36). For instance, political leaders can draw on the apparent objectivity and imprimatur of intelligence to reinforce the logic behind their policy choices. When brought into public debates, intelligence is not only useful for justifying controversial policies, but it can also help to promote their necessity (Pillar 2010: 474). Second, if political leaders are
unable to develop political and social consensus for a policy goal, politicising intelligence by revealing selective aspects of it in public, provides a means of persuading sceptics toward accepting the wisdom of that goal (Rovner 2011: 13). Third, when political leaders face opposition from groups and individuals who openly challenge the legitimacy of a policy, intelligence can be used to discredit and undermine dissenting views (McKnight 2008 a: 712–13). I also argue that, on rare occasions intelligence organisations can politicise intelligence in order to undermine the policy goals of government.

The second proposition regards evaluating the political and social context in which politicisation takes place. First, I argue that politicising intelligence can be an effective means of neutralising political opposition. Tumultuous political conditions can create incentives for political leaders to use intelligence to assail their political opponents. As this thesis will demonstrate, because intelligence services — specifically domestic organisations — in the past have collected information of a political nature, often on various politicians themselves, this information is valuable for disarming the potency of alternative political viewpoints. Intelligence when used in the domestic political context not only provides a competitive edge over political opposition groups but also has the potential to reveal political secrets and personal indiscretions (Born & Leigh 2007:5).

Second, highly contentious policies can sometimes incite social unrest. Under such conditions, opposition and activist groups can emerge. Chapters three and five show that during the First World War and the Vietnam War,
political leaders often used intelligence to monitor activist groups that objected to government policy. On numerous occasions, intelligence was used for more than informing policy. It was used to suppress dissident groups, collect information on them, and to maintain an advantage over them. The key point here, and one that extends throughout this thesis, is that political leaders can use intelligence to undermine opposition groups who do not support their policy goals. Social conditions created by contentious policy initiatives can greatly influence the use of intelligence to enforce conformity to policy and thereby become politicised.

In short, I argue that the politicisation of intelligence is a response to two variables: political and social opposition. At the political level, politicisation becomes part of a broader strategy. The historical record shows that when political leaders face political threats to the success of their policy initiatives, politicising intelligence provides them with a means of promoting their policy choices and persuading sceptics toward that goal. At the social level, when groups and individuals emerge that challenge the success of a policy initiative, politicising intelligence becomes a means of discrediting their claims and standing. This argument is demonstrated throughout this thesis with each case study providing evidence to support this claim. Each case study demonstrates the means used to politicise intelligence, the form it takes on, and the conditions under which it is likely to take place.
Data sources

The evidence used to inform this study is derived from three primary sources and is contextualised by a large body of secondary literature. Primary sources include (1) various files contained in the National Archives of Australia (herein cited NAA), and to a limited extent Great Britain (herein cited NA). (2) The private papers of Australian and British politicians and government officials — including their official correspondence — which are derived from the Australian National Library and the British Library, and (3) the newspaper archives of the Victorian State Library. Official Hansard publications and the eight-volume report of the Hope Royal Commission into the Australian Intelligence Services are two invaluable primary sources also used to support the evidence presented in this thesis.

The archival records used in this study were found in several federal Australian government agencies that collected and used intelligence at various times. These include: the Prime Minister’s Office; Attorney General’s Department; Governor General’s Office; the Australian Intelligence Corps; the Military Intelligence Section of the Army; the Counter Espionage Bureau; the Commonwealth Investigation Branch; the Special Intelligence Bureau; Security Service; and the Australian Security Intelligence Organisation. While these records frequently provide valuable information, they are also at times fragmentary and incomplete. Sometimes case files were scattered across a variety of government departments while the organisation of such material was often inchoate and unclear.
On other occasions, strong efforts were made to obtain records that should have been declassified but they were not made available due to on-going security classification restrictions. Considering the state of these files, they do not reflect the full story of the events considered throughout this study. Secondary sources, drawn from a wide body of literature on the subject of Australian intelligence history and the concept of politicisation, were thereby crucial in contextualising this primary data. An evaluation of this material is necessary to illustrate how the secondary literature informs the historical and theoretical framework of this study.
Literature review

There is no shortage of research on Australian intelligence history, yet a significant amount of this literature only implicitly refers to the subject of politicised intelligence. Many sources cover a wide range of subject material and represent different points of view — each with a unique focus. Instead of reviewing all of this material, the following section of the chapter reviews the key literature informing the historical and theoretical aspects of this study while a discussion on the subsidiary literature is provided within each chapter where relevant.

The literature comprising the following review can generally be organised into three main categories (1) the literature on Australian intelligence history, (2) the theoretical literature, which deals specifically with the definitions and forms of politicised intelligence, and (3) theoretical perspectives on intelligence and policy relations. The following review will discuss the characteristics of the first category with the aim of determining its principal ideas and significance to this study, and then move on to examine the second and third for the purpose of identifying the key theoretical perspectives on politicised intelligence, which inform this study.
Histories of Australian intelligence

Not until fairly recently has the subject of intelligence in Australia shifted from an esoteric research subject to one of legitimate academic inquiry. Beginning in the 1970s, a number of Australian researchers began studying aspects of Australian intelligence history, amassing a large amount of evidence relating to the past indiscretions and improprieties of various agencies. Among the early scholars in the field is Frank Cain (1979) whose PhD thesis and subsequent book focused on political surveillance in Australia during the First and Second World Wars. Another early work to influence the field is Desmond Ball’s *A Suitable Piece of Real Estate* (1980), which considered the role of American signals intelligence bases in Australia, and US–Australian intelligence cooperation. In 1985, Guy Verney, investigated the role of Military Intelligence in post federation defence planning in his PhD thesis titled *The Army High Command and Australian Defence Policy 1901–1918*. This body of literature is critical to anyone wishing to engage in the topic of Australian intelligence history and was pivotal in the development of the field of inquiry because it demonstrated that quality research could be achieved.

Throughout Australia important studies on intelligence then emerged from a number of scholars at various universities. Among them was Jenny Hocking (1988) from Sydney University whose PhD thesis explored the development of Australia's domestic counter-terrorism strategy, and later, Fiona Capp's (1993) pioneering study *Writers Defiled*, which examined how the Australian Security Intelligence Organisation, from 1920 to 1960, had placed Australian literary figures under surveillance. David McKnight's (1998) PhD
thesis was another important contribution furthering the field of study. *The conspiratorial heritage: Comintern, espionage and the Russian tradition of ‘konspiratsya’, 1919–1945*, investigated aspects of intelligence history within the context of Soviet espionage activity in Australia. Each author has continued to publish widely on the subject of intelligence and, along with several other specialised authors, they have made a significant contribution to better understanding the history of intelligence in Australia. Although these works focus on particular aspects of Australian intelligence history, remarkably, there exists no full-length study of intelligence politicisation in Australia. This is a gap the present study seeks to fill.

Authors specialising in related fields, such as diplomacy, defence, and foreign policy, have enriched the historiography of Australian intelligence studies. But again, they offer little theoretical insight into how or why intelligence is politicised. Nevertheless, their perspectives are particularly valuable because they often concentrate on peripheral issues that intelligence historians ignore such as how intelligence can be used to support diplomacy and international relations. One author of significance is military historian Christopher Coulthard-Clark whose book *The Citizen General Staff: The Australian Intelligence Corps 1907–1914* (1976) examines the origins of Australia’s first intelligence organisation, the Australian Intelligence Corps. Coulthard-Clark’s book is meticulously researched and provides a comprehensive description of the early intelligence community. However, it leaves many aspects regarding the misuse of intelligence in political decision making unresolved. For example, although the author cites one of the first
instances of politicisation occurring in this era, very little attention is paid to the topic. It is difficult to infer from Coulthard-Clark’s discussion what circumstances led to politicisation and the work offers little insight into why political leaders attempted to use intelligence to vindicate their policy decisions. I discuss this case in chapter two and attempt to explain the causes and conditions, which led to one of Australia’s first instances of politicisation.

The literature on Australian defence and foreign policy history has both strengths and limitations in respect to the study of intelligence politicisation. Neville Meaney, for example, has contributed several books and articles on the subject, the most important of which are The Search For Security in the Pacific (1976) and Australia in World Crisis (2009). On the positive side, Meaney’s work often touches on matters of intelligence and provides useful insights about the activities of the early intelligence community. The biggest limitation is that it rarely probes deep enough to reveal anything about the inner workings of the relationship between intelligence organisations and government. Nevertheless, Meaney’s work is invaluable for establishing background and context to the events examined in this study.

Subsequently, Meaney discusses issues that are more relevant to the subject of intelligence politicisation in a 1979 article, ‘Australia’s Secret Service in World War One’. The premise of this short study is that during the First World War the government of William Hughes used the intelligence services to repress groups threatening the success of implementing compulsory military conscription. Meaney cites a number of relevant examples to demonstrate his
argument but the article is short on detail and has other drawbacks. For instance, Meaney provides no discussion on the concept of politicisation or explanations as to why it could have occurred. A possible explanation for this omission is that the concept of intelligence politicisation was an anachronism at the time. But more concerning is that no references or bibliography are attached to the article, which makes it difficult to corroborate any of the evidence presented. As a result, the article is a handy reference but needs to be treated with some caution.

Richard Hall's (1978) *The Secret State* is another work that reflects the absence of a sound methodological approach. In scope, Hall's book is substantial. It covers the history of Australian intelligence from the pre-federation period to the Whitlam era in 1975. A former journalist and advisor to Prime Minister Whitlam, Hall experienced first-hand some of the events he discusses and it might be expected he would add useful insights to the subject. But overall, the work has limitations, the most significant of which is that the research is not supported by sufficient evidence. Throughout the book, Hall quotes and refers to specific evidence but not one citation or reference is given, and subsequently no bibliography is provided. While the book makes a contribution to the field of study, without references and a bibliography Hall's claims become speculative, as the veracity of his argument cannot be empirically verified. Consequently, *The Secret State* tends toward exhortation rather than rigorous analysis.

Other studies provide a more measured evaluation of the Australian intelligence community and the problems underpinning its development. One of significance is Jacqueline Templeton’s report, which comprises two of the eight
volumes published for the Hope Royal Commission in 1977. Templeton was commissioned to write a history of the Australian intelligence services from 1900 through to 1950 and her analysis relies on a large amount of archival material sequestered for the commission. The report provides a comprehensive history of the political, organisational, and bureaucratic problems encountered by various government administrations when establishing several of the early intelligence services. Templeton’s report is nicely balanced and carefully researched, but at times cursory. This is most likely due to the terms of reference guiding her report, which was to establish background context to the Hope Royal Commission. In any case, it is a significant and important contribution for anyone wanting to understand the early relationship between the Australian government and its intelligence services.

Frank Cain has published widely on the subject of Australian intelligence history and his most important work in regard to the subject of this thesis is *The Origins of Political Surveillance in Australia* (1983). The argument Cain puts forward is that since their establishment conservative political groups have used Australian intelligence agencies for partisan political advantage, principally by using them to undermine opposition and stifle dissent. The book evaluates a number of instances where intelligence organisations interfered with groups and individuals that opposed the government’s political goals, specifically during World War One.
Cain's research is impressive, and methodologically sound. Although the work is based on an extensive evaluation of archival documents Cain's analytic focus is at points rather narrow. He discusses several cases where intelligence was used for partisan political purposes but his emphasis is generally on exposing the behaviour of the intelligence organisation rather than examining the underlying causes of what motivates their actions. In doing so, Cain's focus is directed away from the politics of intelligence and toward the misbehaviour of intelligence organisations. As a result, Cain pays little attention to evaluating whether, and to what extent, the behaviour of political leaders contributed to the problems he analyses. Another limitation, only in terms of relevance to this study, is that Cain’s focus is again directed away from the relationship between intelligence and politics toward the relationship between intelligence organisations, trade unions, and labour organisations. This tends to narrow the perspective of his study because it fails to consider the broader political context of the relationship between intelligence and policy during the time frame of his study.

The historical development of the Australian intelligence community and the relationships it has formed with overseas intelligence organisations is the subject of several well-considered studies. British historian Christopher Andrew’s 1989 paper, 'The Growth of the Australian Intelligence Community and the Anglo–American Connection' is a short but comprehensive survey of the Australian intelligence services. It details the evolution of several organisations and outlines the impact British and American interests have had on the structure and development of these institutions, but also the objectives they have pursued.
Andrew's work is of significance to this study for several reasons. The first is because it provides invaluable references to primary documents. Second, at numerous junctures the work examines many of the cases discussed in this thesis. The biggest limitation of Andrew's paper is its brevity. At several points, significant issues are only lightly probed and given a partial analysis. Nevertheless, the paper makes a significant contribution to the history of the Australian intelligence community.

Desmond Ball, both as author and co-author, has produced numerous studies on the subject of Australian intelligence organisations. Ball's bibliography of published books and articles reveals a substantial publishing history of material dealing with various aspect of intelligence history. One book of particular relevance to this thesis is *Breaking the Codes: Australia’s KGB Network 1944–1959*, written in conjunction with David Horner (1998). The authors state that the book is a case study of the role signals intelligence played in uncovering Soviet espionage activity in Australia, which they detail in an in-depth analysis of the subject (Ball & Horner 1998: xiv). In eighteen chapters, the material covers a vast amount of territory, much of which is devoted to unearthing the circumstances leading to the establishment of Australia's early counter-espionage agencies. But the book also includes insightful analysis on post World War Two intelligence and security arrangements with the United States and Great Britain and organisational problems each of the agencies encountered. The strength of Ball and Horner's book is both its historical scope and its analytical

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7 The forthcoming three-volume set about the Official History of ASIO was published too late to be reviewed this study.
depth. Based on previously unreleased documents from the Australian, United Kingdom, and the United States archives, along with interviews from those involved in the events, it delivers a comprehensive analysis that is indispensible to understanding the evolution and functionality of the early Australian security intelligence services.

Another, but often-neglected approach to the study of Australian intelligence, comes from the point of view of former intelligence officers. One account, although somewhat dated now, is *Sub Rosa: Memoirs of an Australian Intelligence Analyst* by R. H Mathams (1982), which outlines his thirty-year career as Director of Scientific and Technical Intelligence at the Joint Intelligence Bureau. According to Mathams, *Sub Rosa* is intended to highlight that intelligence analysis is an important function which significantly supports the formulation and implementation of government policy. The work’s purpose is to advocate for greater public recognition of the craft of analysis as a legitimate profession (Mathams 1982: 1–2).

Mathams’ book tends to concentrate on the evolution of Australia’s analytical intelligence structure and intelligence analysis as an occupation, but provides few insightful details on the relationship between intelligence and politics. This theme is continued in his second contribution, a monograph titled ‘The Intelligence Analysts Notebook’ (1988). Given Mathams’ extensive experience in the area, it might be expected that he would provide some

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8 The Joint Intelligence Bureau was established in 1947. In 1970 it merged into the Joint Intelligence Organisation, and in 1990, JIO then became the Defence Intelligence Organisation.
commentary about the challenges analysts face in dealing with political pressure and how it might affect their work. But both works fail to do so. The result is that Mathams’ contribution provides only limited insights into how intelligence interacts with politics and the problems analysts encounter in their relationship with policy-makers.

Harvey Barnett, former Deputy Director of Operations at the Australian Secret Intelligence Service (ASIS) and later Director General of the Australian Security Intelligence Organisation (ASIO) follows a similar pattern in his book *Tale of the Scorpion* (1988). Barnett states in the introduction that the objective of his book is to ‘neither accuse or defend, but to offer a different explanation of past facts and events’ (1998: viii). This objective is partially achieved, which is perhaps reassuring to the organisation itself. Barnett does not accuse or defend, and no revelations or previously unknown facts are revealed. *Tale of the Scorpion’s* empirical chapters offers a blend of historical and political commentary but it fails to improve on previous accounts by Ball or Cain.

The strength of Barnett’s memoir is in delivering an insiders account (although a rather diluted one) of the challenges a director of an intelligence organisation faces when conducting their work. Chapter nine is devoted to the subject of ASIO and politics but the political tensions between intelligence and policy are only stated implicitly. Barnett recognises that an effective intelligence organisation must be politically impartial but argues that the Director General is often ‘hostage to political fortune’. Barnett does not elaborate on the subject
Given the demands of the job, he concludes that he was happy to retire early.

One of the most considered authors on the topic is David McKnight who produced several books and articles on the history of Australian intelligence organisations. The most comprehensive is *Australia’s Spies and their Secrets* (1994), which charts the development of the Australian Security Intelligence Organisation during the Cold War Period. In some ways, McKnight’s study represents a shift away from the traditional methodology of straight historical analysis. Although drawing on substantial archival sources, the study is supplemented with interviews from numerous former ASIO intelligence officers, various political leaders, and members of the Australian Communist Party, which results in a study that contributes new and insightful material to the subject of Australian intelligence history.

In terms of relevance to this study, there are some minor limitations. For example, McKnight identifies that the events surrounding the defection of Vladimir and Evdokia Petrov and the subsequent Royal Commission on Espionage during 1950s had resulted in a politicised and polarising environment in which ASIO functioned (McKnight 1994: 87). Several other instances of politicised intelligence are outlined in the book, but there is no attempt to define the concept or explain it with any precision. Notwithstanding these minor limitations, McKnight’s contribution is highly relevant to this study particularly for establishing context and background.
The theme of ASIO operating in a highly politicised environment is continued in McKnight’s 2008 article, ‘Partisan Improprieties’, which firmly demonstrates the politicisation of intelligence in the Australian context. The article offers a tightly focused analysis of the interplay between intelligence and politics and the subject of politicisation as much as it does on questions regarding the appropriate oversight and accountability of the organisation. Using archival documents, McKnight explores the use and abuse of ASIO by several conservative political leaders from 1962 to 1972 and attempts to explain why the organisation by 1972 had become subject to accusations of politicisation. In the final analysis, McKnight argues that excessive political control, not agency autonomy, was the primary factor that had enabled many of the abuses (McKnight 2008 a: 708). The real value of ‘Partisan Improprieties’ is that it demonstrates an important idea. Excessive political control over an intelligence organisation can have the effect of pushing it toward the partisan political objectives of its own masters.

Several implications can be drawn from a review of the Australian literature. Despite the diversity of historical studies devoted to the subject of Australian intelligence history over the last few decades, few studies have specifically addressed the issue of politicisation. What is missing from these studies is a sound methodological and theoretical approach to studying the concept of intelligence politicisation. Indeed, very little analysis is focused on identifying how, and under what conditions, intelligence is likely to become politicised. In most cases, the causal mechanisms that can invoke politicisation are not made explicitly clear and the concept of politicisation is applied loosely.
to describe a variety of situations. In short, the Australian literature is historically rich, but theoretically poor. In order to develop a more robust framework to guide this study I conducted a review of research on the subject found in the United States. I found the American literature had paid more attention to the conceptual and theoretical development of the subject. The following discussion examines that literature with the aim of exploring two central themes: (1) the theoretical discussion addressing definitions and the variegated forms of politicisation, and (2) the extant theoretical frameworks, which attempt to explain how politicisation can occur in the relationship between intelligence and policy.

**Theoretical perspectives: Definitions and forms**

An investigation of the American literature reveals a long and contentious debate over how to define and operationalize politicisation as an analytical concept, and identify the variety of forms it can take on. In the early 1980s definitions of politicised intelligence relied on examining the behaviour of intelligence organisations — specifically their staff. These early definitions tended to characterise politicisation as the distortion of intelligence analysis without contemplating the political misuse of the intelligence product. One early definition put forward by Harry Howe Ransom (1987) argues that although ‘politicization has multiple meanings’ it could generally be defined as when intelligence analysis is influenced by imbedded policy positions (Ransom 1987:26). While making a noteworthy contribution, Ransom’s definition is restrictive because it considers only how an intelligence analyst’s assessment
could result in distortion. It makes no inferences about how intelligence can be manipulated by those who receive and use the product.

Despite Ransom’s restrictive definition, his study identifies three forms of politicisation. The first is termed partisan politicisation, which Ransom argues can occur ‘when an agency or an issue has become a point of contention between organised political groupings, normally political parties’. The second is what Ransom describes as ‘popularization, or publicity’, where intelligence is brought into public debate to generate discussion on the ends and means of policy. The third form Ransom identifies is ‘intelligence to please’ where intelligence analysts are influenced by imbedded policy assumptions and produce assessments to support the goals of the policy-makers (Ransom 1987: 26).

Ransom’s work not only influenced the field of study but it also forced others to think about clarifying the concept. Michael Handel’s (1987) article ‘the politics of intelligence’ expanded upon Ransom’s model and began investigating how political leaders might engage in politicising intelligence. Handel identifies two additional forms of politicisation, which articulate Ransom’s concept of ‘intelligence to please’. He argues that this can occur when political pressure is applied to the intelligence analysis process causing analytic distortions to arise. More importantly, Handel identified that political leaders could misuse intelligence assessments to promote their own interests, emphasising efforts to corrupt intelligence by those who consume its product (Handel 1987: 6). After examining the issue Handel concluded that politicisation usually results from ‘the fact that intelligence is essential to the promotion of all political interests
including those of intelligence organizations and political leaders’ (Handel 1987: 13).

The way in which intelligence can be manipulated to promote party political interests is the focal point of two studies conducted by Glen P. Hastedt (1987; 2005). His first article titled, ‘The new context of intelligence estimating: politicising or publicizing’ expands on Ransom’s concept of popularisation. Hastedt reframed the term as ‘publicization’, which he argues is the public use of secret intelligence to advance the political or policy agendas of a government (Hastedt 1987: 57). Hastedt later provided a more extensive examination of the subject in a 2005 article titled ‘Public intelligence:Leaks as policy instruments’, which demonstrated that publicised intelligence could be an effective promotional device. Citing examples from the Carter and Reagan administrations Hastedt highlights that political leaders can selectively choose intelligence that supports their policy agenda, but also that when used in public intelligence can be a powerful tool of persuasion.

More recently, Gregory Treverton (2008) provides a definition of politicisation that builds on Hastedt’s concept of selectivity. Treverton ultimately defines politicisation as ‘commitments to perspectives or conclusions, in the process of intelligence analysis or interaction with policy, that suppress other evidence or views or blind people to them’ (p: 93). From this definition, Treverton infers that politicisation can have several different if overlapping meanings. He also suggests that some can apply simultaneously.
But more importantly Treverton identifies a form of politicisation which he calls 'cherry picking' or in some cases ‘growing some cherries’, in which senior officials, usually policy officials, pick their favourite intelligence out of a range of assessments. He also argues that political leaders can cause politicisation by ‘asking leading questions’ or asking questions repeatedly. And finally Treverton identifies what he calls ‘a shared mindset’, whereby intelligence and policy share strong presumptions leading to skewed analysis (Treverton 2008: 93).

In 2011, Joshua Rovner published a study which brought together much of the previous theoretical work on the subject. His book, Fixing the Facts (2011), focuses on examining how both political leaders and intelligence organisations could contribute toward politicisation. Rovner examines six prominent cases of politicisation in various US administrations occurring over a forty-year time frame. The study found that on several occasions political leaders had pressured intelligence organisations (direct manipulation) to change their estimates so that it supported their policy choices. But Rovner also found that on other occasions intelligence organisations had deliberately skewed their estimates in order to undermine a policy choice of the government. For the most part this was done to either protect organisational interests or for personal gain. Perhaps the most important aspect of Rovner’s study is that he identified that the more subtle forms of politicisation were a more pervasive problem.
Rovner identified eight forms of politicisation in total. In short, these include: *direct manipulation*, where policy-makers pressure intelligence to produce specific findings. *Indirect manipulation*: where policy-makers send tacit signals to intelligence analysts about what are acceptable and unacceptable conclusions. A third form of politicisation similar to that of ‘group think’ occurs when widely held strategic assumptions and social norms restrict the bounds of acceptable intelligence analysis. Rovner termed this *embedded assumptions*. Another form of politicisation he identified is *intelligence subverting policy*. According to Rovner, this occurs when intelligence organisations skew their estimates to undermine policy decisions. *Intelligence parochialism* was another form Rovner identified which he argues can occur when analysts tailor their findings for personal or professional gain, and conversely, *bureaucratic parochialism*, where intelligence organisations tailor findings to support their organisational interests. The final two forms identified were *partisan intelligence, and intelligence as a scapegoat*. Rovner argues that *partisan intelligence* occurs when political parties misuse intelligence for partisan political gain. Alternatively, intelligence could be used as a *scapegoat* when policies go awry. Here political leaders can either deride intelligence if it does not support their policy decisions, or intelligence is blamed for policy failures (Rovner 2011: 205).
For almost thirty years, American scholars have been defining and clarifying the concept of politicisation and theorising about the various forms in which it can manifest. Australian research has not followed this trend and several issues are apparent. Perhaps the most significant is that the Australian literature relies on arbitrary, under-theorised definitions of the concept and as a result, politicisation has been used to describe a variety of behaviours. Another concern is that the Australian literature has not clearly articulated the various techniques of manipulation that constitute politicisation. Additionally, no concise explanations of what conditions enable politicisation to occur are provided in the Australian research. But for several decades, American scholars have been developing a theoretical framework, with which to explain how this might occur. In general, these theories rely on examining politicisation as a product of the relationship between intelligence and policy.
Theoretical perspectives: Intelligence, policy and politicisation

Two central themes dominate the literature on intelligence and policy relations and the subject of politicisation. Both revolve around the idea of proximity, or more specifically, how close or distant intelligence should operate in regard to policy. The first approach is termed the traditionalist model, and the second the activist model (Hulnick 1986:214; Handel 1987:11; Bar-Joseph 1995: 23; Johnson & Wirtz 2011: 165–6). While both recognise that politics plays an unavoidable role in shaping the functions of an intelligence organisation, they reach different conclusions about how politicisation occurs. New explanations have also recently emerged, which shed new light on the topic. These theoretical perspectives make it possible to tie together several strands of thinking, each of which help to structure the theoretical framework of this study. The following discussion reviews the two prevailing theories and then moves to examine the third.

Traditionalist theory

The first point of view is the traditionalist model. Advocates of this model argue that intelligence should be distanced from politics, research independent judgments, and avoid tailoring assessments to satisfy the policy preferences of decision-makers (Handel 1987: 11). Essentially the traditionalist model rests on one central proposition: intelligence should be separated from policy in order to limit political influence and enhance objectivity. According to Sherman Kent, the original proponent of the traditionalist model, intelligence agencies must be

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9 The Traditionalist model is sometimes referred to as the Kent, or professional model, and the Activist model is also sometimes referred to as the Gates, or Realist model.
bureaucratically separated from the policy-making apparatus of government to enhance political impartiality (Kent 1951:200). The rationale being that political influence, and subsequently politicisation, increases when intelligence officials interact too closely with policy-makers (Hulnick 1986: 213). In other words, the traditionalist model suggests that keeping intelligence at an arm's length from politics will enable objective analysis and limit political influence. However, it fails to acknowledge that all judgments on intelligence matters are to some extent value-laden regardless of the bureaucratic context in which they are made. In this sense, the traditionalist approach rests on the assumption that politicisation is a product of bureaucratic proximity, and thus attempts to delimit political contact between intelligence and policy in order to reduce its occurrence.

Traditionalist theory infers that politicisation is a condition that occurs due to the structural arrangement of government bureaucracy. Politicisation takes place through a process of gradual or unconscious assimilation of ideas when intelligence and policy officials work in proximity to each other. The solution to delimit the prospect of politicisation is that intelligence must remain distant from the political arena otherwise it risks becoming a participant in the policy debate (Handel 1987: 11). Thus, the nexus between intelligence and policy becomes the site of contention where the conditions of politicisation arise. Accordingly, politicisation is represented as a structural problem. It is product of bureaucratic proximity between intelligence and policy.
But research indicates that that traditionalist model is problematic when put into practice. Stephen Marrin (2009) examines such problems. Marrin analysed the relationship between US intelligence and policy departments examining how significant proximity was in causing politicisation. He studied the concept of proximity through two empirical case studies. The first examines the pre-9/11 attacks and the second the pre-Iraq War intelligence assessments. His study found that when proximity between intelligence and policy increased, so too did its usefulness to the policy-maker. More significantly, he found no indication that increased proximity actually caused politicisation (Marrin 2009: 296). Marrin's findings point to an inconsistency in the traditionalist theory, which indicates that increasing proximity may actually have positive effects.

Australian academic Frank Cain (1994) has made similar observations. Cain paid particular attention to how excessive bureaucratic isolation between intelligence and government had contributed towards the politicisation of ASIO during the Cold War. He argues that a lack of legislative and political control of ASIO allowed it to pursue the ideological objectives of its managers and directors (Cain 1994: 213–214). What is pertinent about Cain’s analysis is that he identifies another limitation of traditionalist theory: that the extremes of bureaucratic separation can lead to the creation of institutional silos within the security apparatus. Under conditions of total isolation, intelligence agencies become beholden to no one except those who control the organisation. Cain’s analysis highlights that too much separation can actually have a negative effect and allow politicisation to occur.
Gregory Treverton from the RAND Corporation attributes specific analytic pathologies such as ‘shared mindset’ and ‘groupthink’ as further antecedents of political isolation (Treverton 2008: 94). He argues that when intelligence organisations operate in isolation, analysts and managers tend to fall back on what he calls the ‘house line’. Psychologist’s Straus, Parker and Bruce identified similar cognitive behaviours among intelligence analysts in their 2011 study. They found that bureaucratic isolation can give rise to a form of organisational groupthink where isolation from outside views results in a failure to consider alternatives and enhances pressure towards organisational conformity, which can induce poor decision-making (Straus, Parker & Bruce 2011:135). Under these conditions, intelligence organisations can develop what Treverton calls ‘tunnel vision’ where analytical assumptions based on previous experience constrains analysis and leads to a form of bureaucratic parochialism (Treverton 2008:94).

Similar observations were reported in the findings of the Butler Review of Intelligence on Weapons of Mass Destruction in Britain in 2004. Lord Butler reported that the Joint Intelligence Committee tended to colour their assessments based on the ‘prevailing wisdom’ of the organisation’s past assessments (Butler 2004: 112). He concluded that because Britain had very few sources on the ground in Iraq previous intelligence estimates had a significant influence on how current estimates were drafted. Regardless of the different cultural and structural factors that exist between US, UK, and Australian intelligence agencies, bureaucratic isolation appears to have similar consequences.
An ethnographic study conducted in the United States by Rob Johnston in 2005 came to a similar conclusion. Johnston conducted numerous interviews with intelligence analysts at fourteen US intelligence agencies. His study found that the validation of new data was often questionable. The most pervasive problem Johnston's study identified was 'confirmation bias', where an emphasis is placed on supporting organisational opinion rather than testing new hypotheses (Johnston 2005: 21). According to Johnston, confirmation bias arises because analysts start their process by examining pre-existing analytic products to establish a base line. ‘The existing analytic products describe, implicitly or explicitly, a set of working hypotheses that an analyst may wish to reflect in his or her own work’ (Johnston 2005: 22). He suggests that what tends to occur is that the analyst looks for current data that confirms the existing organisational opinion or the opinion that seems most probable and, consequently, is easiest to support (Johnston 2005:23). The danger of confirmation bias is that analysts tend to filter out evidence that challenges organisational preconceptions. Under these conditions, organisational norms and personal politics can unintentionally intrude into the intelligence process and politicise the product.

In short, the traditionalist approach is a somewhat idealised model of intelligence and policy relations. It suggests that politicisation is a condition that results from a close working relationship between intelligence and policy where political and policy assumptions become comingled with intelligence, resulting in distortion or skewed analysis. It seeks to impose structural barriers between intelligence agencies and their political masters in order to reduce politicisation
from taking place (Betts 2007: 100). While there is some merit to the traditionalist approach, it tends to presuppose that bureaucratic or structural conditions are the main cause of politicisation. This constitutes the issue of politicisation as a problem of bureaucratic dysfunction. It places little emphasis on investigating how external social, or internal organisational factors might lead to politicisation. A particular criticism reported in each of aforementioned studies of the traditionalist model is that such factors need to be incorporated into the study of politicisation.

**Activist theory**

The second theoretical perspective is termed the activist model. This model is based purely on practical considerations (Bar-Joseph 1995: 23). The underlying logic is that when intelligence is produced closer to policy-making objectives it tends to be most useful (Betts 2007:76). According to the activist view, increasing proximity encourages cooperation and communication resulting in an improved intelligence product rather than fostering politicisation. Proponents of the activist model argue that intelligence involvement in politics is both necessary and a legitimate means of supporting policy-making decisions (Bar-Joseph 1995: 23). This point underscores the activist argument that: intelligence is always political because it is part of the policy decision-making process (Shulsky 1995: 85). It is assumed that intelligence and policy have a symbiotic relationship and the closer the relationship between the two the better both systems function. Intelligence must be close to policy in order to understand what the policy-maker needs, and to serve those needs. The pursuit of knowledge for knowledge’s sake under the traditionalist model is considered
to have no practical purpose. Rather, intelligence should only pursue knowledge that is of actionable use to the policy-maker. In order to do so, they must work together closely and collaboratively.

Some adherents to the traditionalist model express a view that increasing proximity between intelligence and policy is an invitation for politicisation (Betts 2007: 77). But a number of studies refute this assumption. For instance, Marrin’s study found that in the British system where intelligence is incorporated closer to the policy-making framework, it is both more influential and often less politicised than in the US model of bureaucratic separation. He argues that this is most likely due to the norms of British intelligence culture where rewarding ‘analytic integrity’ is encouraged (Marrin 2009: 296–7). The empirical evidence reported in Marrin’s study indicates that improving professional practice, not bureaucratic separation, is the most effective way to reduce politicisation.

Israeli academic Uri Bar-Joseph (1995) reported similar findings. Bar-Joseph conducted four case studies where intelligence agencies had interfered in the politics of United States, United Kingdom, and Israeli governments. He found in all cases when ‘intelligence professionalism’ was low there was a higher likelihood for intelligence to become politicised. Bar-Joseph found no evidence that increased proximity caused politicisation, but rather factors relating to personal and institutional professionalism are more significant (Bar-Joseph 1995: 358 & 361). In short, Bar-Joseph reported that the lower the level of professionalism in an intelligence organisation the higher the possibility analysts and managers will resort to doctoring their products to please policy-makers. In
this sense, the personal integrity of the intelligence official and the professionalism of the intelligence organisation were key factors that would limit the possibility of politicisation.

The evidence supporting the activist model suggests that politicisation is not an issue related to the organisational arrangement of government bureaucracy and the proximity between intelligence and policy. Rather, politicisation is connected to personal integrity and organisational professionalism. If intelligence professionals are to work in relative proximity to policy-makers and serve their needs, a highly professional organisational culture is what will guard against politicisation. In short, the activist approach represents a more realistic working relationship between intelligence and policy. It suggests politicisation is somewhat inevitable, but frames its causes as internal and generated by the intelligence professional and not bureaucracy (Gates 1992). Nevertheless, it places significant responsibility on the intelligence analyst to resist temptation and uphold his or her integrity in the face of political pressure.

In summary, traditionalist theory indicates that the manifest conditions of politicisation may be related to the structure of government bureaucracy, while the activist theory suggests they are personal in nature. More importantly, however, these two theories are limited because of this focus and need expansion. This is because traditionalist and activist theories only consider politicisation to be a product of the intelligence community. Little consideration is given to how political leaders misuse intelligence and politicise its product.
Policy oversell and domestic politics

More recent treatments of the subject tend to redirect attention away from the intelligence community as the instigators of politicisation, and focus more on the actions of political leaders. Joshua Rovner, for example, developed a theoretical model of politicisation based on domestic politics rather than bureaucracy or personality. At the core of his book, *Fixing the Facts* (2011) is the argument that intelligence provides an effective public relations vehicle for political leaders to sell controversial policy decisions. Rovner examines several prominent cases of politicisation in various US administrations occurring over a forty-year time frame. The study found that in all cases political leaders responded to domestic public criticism by utilising intelligence to oversell a controversial policy decision. Rovner terms this phenomenon the ‘policy oversell model’ (Rovner 2011:36).

In short, the policy oversell model holds that politicisation is inherently linked to controversial domestic political decisions. Intelligence is likely to become politicised when policy-makers publicly commit themselves to highly controversial issues. Political leaders’ goals of maintaining their positions of power and gaining support for their policies generate incentives for them to pressure intelligence organisations to manipulate intelligence in a way that reinforces their preferred policies. Political leaders are most likely to impose this pressure after they make their policy commitments public and after the emergence of a ‘critical constituency’ in opposition to such policies (Rovner 2011:38).
According to Rovner, the composition of a critical constituency is any group that has the power to obstruct policy plans or threaten the political future of a policy-maker (Rovner 2012). Once a leader signals their intentions, policy failures become nontrivial and policy options less flexible. In order to avoid paying political costs, policy-makers often rely on intelligence to justify the logic of their actions. In this situation, intelligence is used to oversell a controversial policy choice and to establish consensus.

If a policy commitment is uncontroversial, a critical constituency will not arise and the occurrence of politicisation is deemed unlikely because the policy-maker has no incentive to oversell their decision. However, expressing a public commitment to a controversial issue where public and political opposition arises, policy-makers become vulnerable to political costs (Rovner 2011: 36). When publicly committed leaders face such opposition, there is a strong incentive to pressure intelligence agencies to provide evidence that justifies the leader's position (Rovner 2011:37). In this situation, intelligence, because it is perceived to be objective and politically neutral, can be used as a public advocacy vehicle to convince a sceptical public that a policy choice is rational (Rovner 2012). Rovner’s oversell model is built on two independent variables. First, political leaders must publicly commit to a policy choice, and second, there must be the emergence of a critical constituency in opposition to that policy. When both are present, intelligence is likely to become politicised.

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10 Personal correspondence with the author, 16 June 2012.
Rovner’s research is particularly important to this study for two reasons. First, it highlights that politicisation is not only tied to conditions of bureaucratic proximity and personality, but it is also dependent on how intelligence is used by political leaders in a political context. Second, Rovner’s study demonstrates that the manifest conditions of politicisation not only occur as a response to political controversy, but also as a response to government–societal relations over the determination of policy goals. In short, intelligence politicisation is tied to matters of promoting or obstructing policy goals within the socio–political context.

Taken together, the traditionalist, activist, and policy oversell models provide a basic theoretical framework for understanding what might cause intelligence to become politicised. Politicisation, the traditionalist and activist theory suggests, can occur when intelligence and policy operate in close proximity, or alternatively it might occur through a lack of professional or organisational integrity. Courtesy of Rovner’s model, intelligence might also be politicised when political leaders need a mechanism to sell controversial policy decisions or face social resistance to a policy goal. In short, these models offer a preliminary framework in which politicised intelligence can be studied. The aim of this thesis is to build on and broaden these frameworks. But more importantly, it seeks to determine whether these theoretical models apply to the Australian context or whether another explanation is needed.
Summary

Section one has so far introduced the background context to this study. It began with a statement describing the three principal research questions, the research aims and argument the study pursues. Next, the chapter reviewed the key literature in order to give recourse to the working definitions of both intelligence and politicisation but also to develop the theoretical framework that guides my analysis. The chapter highlighted how the Australian literature has approached the subject of intelligence history identifying the strengths and limitations of the debate. As a result, several important gaps were identified which need to be filled. To date, no studies have systematically evaluated the concept of politicised intelligence specifically as it relates to the Australian context. Instead, most accounts tend to either give the topic a cursory evaluation or take politicisation as self-evident and self-explanatory. Unlike research in the United States and Great Britain, the Australian literature has not adequately dealt with the topic. It offers very few explanations as to what politicised intelligence is, and how it might occur. Part two of this study begins to address that problem.
Part II

A history of intelligence politicisation in Australia
Introduction

Section two sets out the empirical chapters of the study. It is devoted to the analysis of several case studies in which political leaders, intelligence organisations, and individuals’ misused intelligence for political purposes resulting in politicisation. The case studies are used to provide evidence to answer the three principal research questions and to support the findings presented in section three of the study. In sum, part two of this study aims to make a contribution to the discipline by reaching into Australian political and intelligence history and revealing the various means, forms, and conditions, which have led Australian intelligence organisations to be subjected to politicisation for almost three quarters of a century.
Chapter Two

Agent of empire or servant of the nation:
Australian intelligence 1901–1910

This chapter explores the early Australian intelligence community, paying particular attention to how intelligence was politicised in the struggle to achieve security in the years between 1901 and 1910. It investigates the way in which political leaders, the military, and intelligence officials interfered with the intelligence process to vindicate their own political agendas, and how this behaviour can be explained as a form of politicisation. The first part of the chapter is historical and traces the events surrounding the development of the Australian intelligence community, focusing as much as possible, on how these events impacted upon the future use of intelligence by political leaders. The second part of the chapter will examine a series of case studies about intelligence politicisation during the period under discussion, identifying the conditions that enabled and motivated this behaviour. The chapter then concludes with a discussion on the preliminary findings.
Antecedents: Intelligence pre-federation

The collection and use of intelligence to inform Australian security policy was of little concern to the colonial governments before federation. Australia was dependent on Britain for all intelligence assessments regarding security matters in its immediate vicinity (La Nauze 1965: 515). But in 1870, British troops withdrew from Australia leaving the colony to provide for its own defences. The colonial governments, in turn, formed a small corps of permanent troops supported by a militia, volunteers, and partly paid soldiers. But the Australian force, limited in resources and experience, lacked any capacity to collect and collate strategic information and its use in policy planning was largely circumscribed. By 1875, the Intelligence Branch of Britain’s War Office started to request detailed information on the defence resources of the colony. The Australian forces proved incapable of supplying the most rudimentary form of information required to fulfil this request. Three years after the Intelligence Branch had requested information the colony had submitted nothing relevant to the War Office (Johnson 1974: 54 & 58).

Proposals were floated to remedy this situation. In July 1878, the Queensland government received a report on the Defences of Queensland. Lieutenant Colonel, Peter R. Scratchely, of the Royal Engineers reported that measures adopted up to 1878 for the protection of the area ‘were so incomplete as to be particularly useless for purposes of defence’. Scratchely proposed several recommendations to improve security in the region, one of which was
the establishment of an intelligence corps. He suggested that the corps during
times of peace could make ‘accurate plans of the country between Brisbane and
the sea—coast’ and in the larger areas to the North. In times of war, the corps
could perform ‘the duties of scouts, guides, orderlies and escorts, and would
cooperate with police in harassing an enemy that attempted to advance on
Brisbane’ (Legislative Assembly of Queensland 1878: 529 & 535).

Similarly, a Royal Commission appointed to inquire into the military
service of New South Wales in June 1892 reported that the intelligence
departments of foreign nations ‘with which we may some day be engaged in
hostilities, have long ago worked out in the most complete detail everything
necessary for such an undertaking’. The Commission recommended that an
officer from one of the two garrison regiments be appointed to undertake ‘all
intelligence work’ necessary for security of New South Wales. This position was
to include training troops in tactics, military field fortifications, military
sketching and ‘everything connected with the defence of positions covering
Sydney’ (New South Wales Legislative Assembly 1892: 571 & 576).11 Despite the
recognised weaknesses in regional security, pressure from London, and the
Royal Commission’s recommendations, the colonial governments never deemed
necessary the creation of an intelligence department.

11 The Royal Commission’s report is contained in: ‘Votes and Proceedings of the NSW
The colonial government’s lethargy toward establishing an intelligence function was equally matched by the amount of value it believed an intelligence service could contribute to policy formulation. Rather than establish any formal means of collecting intelligence, colonial authorities preferred to rely on information obtained from ‘travellers, missionaries, British settlers, reports from the British Navy and newspapers’ for its informed sources of strategic information (Thompson 1970: 413–6). This amateur approach to matters of intelligence and security perhaps reflects colonial attitudes toward defence and foreign policy of the time. As one of the foremost authorities on Australian defence history, Neville Meaney, points out this was probably due to complacency, because ‘questions of defence and foreign policy seemed remote and largely irrelevant’ to colonial policy planners (Meaney 1976: 15). For the most part, Australia felt removed from the centres of international conflict and confident in the supremacy of the British Navy for protection and advice. Colonial governments placed little recognition in the value or utility an intelligence service might provide. Indeed, this attitude would prevail until after the events of the South African conflict of 1899–1902.12

The South African conflict, or Boer War, was the most significant event in prompting colonial governments out of the mindset that intelligence would be of negligible use in security policy planning. A number of Australians had gained first-hand experience while serving in the British Intelligence section during the conflict and greatly impressed the commanders of these units (Coulthard-Clark

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12 The South African conflict can be generally divided into three phases: (1) October – December 1899; (2) December 1899 – September 1900; (3) September 1900 – May 1902 (Australian War Memorial).
1976: 2). More influential in shaping colonial attitudes, however, were the findings of another British Royal Commission established to inquire into the performance of the British Army Intelligence Department during the war (Templeton 1977: 19).

Post-War introspection had brought about charges that the British Intelligence Department had succumbed to a number of failings during the initial phase of the conflict. Politicians demanded an explanation for Britain's humiliating defeat, failed foreign policy, and inadequate military planning. Intelligence failure provided the perfect scapegoat. The British Secretary of State for War, Lord Lansdowne, protested that ‘the government had as little expectation of War with the Orange Free State as they had of war with Switzerland’ (Gudgin 1999: 27). Less highly placed individuals such as Army Field Commanders griped that the Intelligence Department had ‘failed to give warning of the attack on Natal which commenced the Boer offensive, had incorrectly assessed the enemy's numerical strength and their armaments, and had not provided adequate maps or topographical information to British forces in the field’ (Coulthard-Clark 1976: 3). After an intense period of criticism emanating from both the military and public, the Intelligence Department was arraigned before a Royal Commission under the guidance of Lord Elgin.

Elgin's report discovered, contrary to widely held accusations, that the Intelligence Department had issued a succession of reports warning the War Office of the likelihood of war. Moreover, it had emphasised that the conflict ‘would be both costly and bloody’ (Gudgin 1999: 28-29). The Commission
subsequently revealed that numerous documents prepared by the Intelligence Department had accurately assessed the strength and size of the Armies in South Africa and analysed the military and political situation accordingly (Elgin et al, 1903: 10-13). It also noted that Cabinet ignored a number of the intelligence assessments prepared by the Director of Military Intelligence, General John Ardagh. Other documents prepared by the Intelligence Department had allegedly been ‘deliberately altered’ because of ‘the political desire to avoid talk of war’ (Gudgin 1999: 29).

The Commission’s findings demonstrated that the Intelligence Department, with considerable accuracy, had forewarned the British government over matters connected with the Boer conflict. The majority of the charges were then dismissed. Lord Elgin vindicated the Intelligence Department praising them for outstanding performance under stringent budgetary restrictions and limited staffing. He stated that:

The Intelligence Department has been shown to have had so an important bearing on the preparations for War that they cannot fail to be of interest. That it was undermanned for the work for the preparations for a Great War will scarcely be denied. But a considerable measure of success must be admitted. The outcry of therefore in regard to the absence of good maps was not altogether well informed.

(Elgin et al, 1903: 127 -131)

The findings of the Elgin Royal Commission had a great impact on reshaping the Australian government’s attitude toward the value intelligence could provide in military and strategic planning. As historian Jacqueline Templeton argues, Australian military thinking was influenced by these events and structures for shaping the early Australian intelligence community ‘were
inspired specifically by the South African experience’ (Templeton 1977: 19). By vindicating the role intelligence had played in the war, the Elgin Royal Commission demonstrated the importance of intelligence during a time when the Commonwealth Military Forces were in their formative stages (Coulthard-Clark 1976: 3-6). The implication was that if Australia were to become self-determined in matters of defence and foreign policy it would need a proficient means of obtaining information on its immediate environment. The findings of the Elgin Commission revealed two important points to Australian statesmen. One, intelligence could be of considerable value in military and strategic policy development. And two, the relationship between intelligence and policy was highly problematic. Both of these points would foreshadow future problems encountered between Australian intelligence officials and their political masters for the next several decades.

Australia’s foray into the world of intelligence thereby had a decidedly militaristic tone. With federation in 1901, came the establishment of the Commonwealth Military Forces, which were placed under the command of a British Officer, Major General Edward Hutton, General Officer Commanding (GOC). Of the eight officers selected to form the Australian Headquarters Staff, Hutton chose an artillery officer whom he had served with previously during the Boer War. Major William Throsby Bridges was appointed Assistant Quartermaster-General and assigned to oversee intelligence, military organisation, mobilisation and topography (Coulthard-Clark 1976:6). For the next decade, the Commonwealth government would look to the intelligence community for advice on matters of military and strategic planning. In this sense,
understanding how intelligence would be used to shape strategic policy decisions must thereby be placed into the wider context of how the first Commonwealth governments contextualised issues of defence policy, specifically in the Pacific region.

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Case study one: The New Hebrides

One of the directions in which the Australian character is likely to manifest itself in an aggressiveness that old-world observers may reckon unreasonable is with regard to the Pacific Islands in our neighbourhood.  

(Alfred Deakin)

Only days after Federation, the Commonwealth government began collecting intelligence on its neighbours. On 22 January 1901, Arthur Mahaffy, Deputy Commissioner for the Western Pacific in Samoa, dispatched an urgent letter to the newly appointed Australian Prime Minister, Edmund Barton. Mahaffy urged Barton to act on a matter of extreme importance to the Commonwealth that required ‘decided and immediate action’ (NAA: A 1108, Vol. 3). The matter of immediate importance Mahaffy referred to was that a significant influx of Frenchmen and their ‘aggressive behaviour’ had placed Commonwealth subjects under ‘humiliating disabilities’ in the New Hebrides — a remote island in the Western Pacific. ‘Frenchmen’, he griped to Barton, ‘were boasting that in six months the whole group would be theirs’ (NAA: A

13 Alfred Deakin, anonymous letter to the Morning Post, 19 March 1901.

14 References cited as NAA refer to National Archives of Australia files (herein NAA).

15 The New Hebrides later became known as Vanuatu after gaining independence in 1980.
1108, Vol. 3). Mahaffy contended that unless the imperial ‘laissez-fair’ approach to security policy in the Pacific was corrected the islands would slip away from the Empire and into French hands. He recommended to Barton that a ‘special commission with secret instructions to report on the conditions of the New Hebrides’ be dispatched as soon as possible. The result of which, Mahaffy claimed, would ‘reveal a state of affairs so startling as to call for immediate action on our part’ (NAA: A 1108, Vol. 3).

The New Hebrides had been a sore point of Australian, British and French diplomacy for a number of years. Although the British and French had colonised the islands in the Eighteenth Century, the issue of sovereignty and legal jurisdiction had never been adequately settled. Issues regarding land claims between French and British settlers became acute during the period 1900 - 1902 which led to increasing Anglo-French antagonism. The Australian government’s interest in the islands was not, however, based on issues of sovereignty or legal jurisdiction. Australia’s interest was primarily concerned with national security. The Australian government actively sought an extension to the British Empire that would include the annexation of the New Hebrides in the interests of protecting Australian security. Commonwealth policy, in this respect was aimed at stopping French control of the New Hebrides so that it could not build military bases from which it could launch attacks on Australia (Meaney 1976: 94). As Alfred Deakin, writing under the nom de plume of the ‘Special Correspondent’ informed the London Morning Post, ‘the desire for the possession of these islands on the part of Australians is not simply an unappeasable earth hunger’. The desire for annexation was inspired by the prospect of foreign naval fleets —
namely French — using its ‘splendid harbours for naval operations’ (Morning Post 12 March 1901).  

Despite security concerns of the Australian government, the British had continually rebuffed plans of annexation. This decision was based on the assumption that the French would never freely relinquish their rights to the islands and the British would not risk war in order to satisfy what British Prime Minister, Lord Salisbury, argued was ‘the extravagant nature of colonial fears’ (Meaney 1976: 21). Aware that the British strategic view of the region differed significantly from their own, the Australian government realised that they would have to push their concerns about keeping French naval bases out of the New Hebrides more vigorously to the British government.

Probably frustrated by the lack of British concern for uniquely Australian security interests in the Pacific, Barton sought the acquisition of external information regarding French activity in the New Hebrides. Intelligence, in this case, would provide an effective means of serving his political interests and in a more tacit way, it could be used to orchestrate public opinion and provoke action toward the Australian cause. On 8 February 1901, Wilson Le Couteur, Secretary-Treasurer of the Shipmasters’ Association of Australia, volunteered his services to the government (NAA: A 35, 2/1). Barton then instructed a former New South Wales Police Detective to vet Le Couteur. On 17 July, he was cleared for the

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16 Between 1901 and 1914, Alfred Deakin penned a series of anonymous letters about Australian political affairs that were published in the London Morning Post. A selection of the letters can be found in: Federated Australia (1968) edited by John La Nauze, and the full series can be found in the Deakin Papers MS 1540, Series 7, Subseries 7.5, see: http://www.nla.gov.au/apps/cdview/?pi=nla.ms-ms1540-7-374 for a partial digital collection.
assignment, and on 1 August, the government accepted his offer (NAA: A35, 2/10; A 35, 2/12). Le Couteur’s mission was to remain top-secret and the Secretary of the Department of External Affairs, Atlee Hunt, instructed him that ‘you will take every possible care that the object of your visit is not to be made public in any way, either in Sydney or in the islands’ (NAA: A 35, 2/12). Despite the government’s wish for discretion on the matter it would not take long before it became public. The first case in which an Australian official was seconded on an intelligence mission would coincide with the first instance of politicising intelligence to support a predetermined policy preference. Intelligence was to be publicised in order to establish consensus support for a distinctly Australian foreign policy aim.

**Le Couteur’s assignment**

Officially Le Couteur was to collect information on the nature and manner of English and French settlement, evaluate the size of their population, ascertain their economic interests, and survey the attitudes of Europeans and natives toward the future of the islands. He was also to ‘observe carefully and report fully’ on the ‘public actions and utterances’ of the Governor of New Caledonia who was at the same time visiting the islands (NAA: A 35, 2/12).\(^\text{17}\) To preserve the necessary secrecy of Le Couteur’s assignment he was made a temporary employee of Burns, Philp and Company, with the view to obtaining copra from the islands.\(^\text{18}\) But such cover appears to have been insufficient. Hunt was later

\(^{17}\) Le Couteur’s visit did not end up coinciding with the Governor of New Caledonia, and, thereby, he did not report on his ‘utterances’ (A 35, 2/23).

\(^{18}\) Copra is the oil extracted from dried and crushed coconut kernels. It became a valuable commercial product during the Nineteenth Century.
informed that a resident on the island Epi had made public statements referring to Le Couteur’s presence. Hunt reminded Le Couteur that ‘I hope the object of your visit is being kept as quiet as possible’ (NAA: A 35, 2/18). Although Le Couteur’s presence was probably known, he was instructed to proceed.19

In an unofficial capacity, Le Couteur was to collect information that might help strengthen the Australian point of view in representations to London against the French (Hall 1978: 127). In this sense, the intention of the mission was perhaps to amass political capital for the government as Barton had already declared Australia should have a national policy on the Pacific Islands with a preference for imperial annexation.20 Indeed, Le Couteur’s intelligence would be most useful in coercing domestic and British attitudes toward Barton’s aspiration of Imperial annexation of the New Hebrides in the interests of Australian security.

Le Couteur left Sydney on, Saturday 7 August 1901, by the S. S. Mambare for the New Hebrides. En route, he called on Lord Howe and Norfolk Island, arriving at the Port of Aneityum, on 16 August. Over a three-month period, he visited ten islands of the New Hebrides archipelago collecting detailed information on the French, and interviewing local residents. Upon his return, this information was presented to Barton via the Department of External Affairs on

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19 Le Couteur requested that the government issue him with a rifle and a revolver, however, this request was denied by Barton because it would have drawn further attention to his presence, see: NAA: A 35, 2/14.

20 For an overview of Barton’s policy on the Pacific Islands see The Age, 12 February 1901; The Age 15 February 1901; Meaney 1976: 94–96.
26 November 1901. Le Couteur reported that French subjects (341) were of a far greater number than British (146) and that the French population was steadily increasing (NAA: A 35, 2/23). This, he suggested, had a substantial effect on the issue of land disputes between the British and French. Of the three million acres that comprised the total land area of the islands, the French had acquired almost two million acres compared with eighty-eight thousand owned by British subjects. Le Couteur’s inquiries revealed that the manner in which the French had acquired such vast tracts of land from the indigenous population was highly irregular. In many instances, he found that the land claimed by the French government had never been legitimately acquired. Nonetheless, the title deeds had been passed on to French settlers (NAA: A 35, 2/23). This he added had caused considerable tensions and sometimes-violent incursions between natives and French planters. Because of the dubious dealings of the French, the natives of the islands displayed a preference for dealing with the British, of which Le Couteur reported ‘do not resort to such practices’ (NAA: A 35, 2/23).

Matters of legal arbitration and commerce were also detailed in his assessment. Le Couteur reported that the majority of New Hebrideans wanted equality of opportunity with French settlers, but they lacked any avenue of legal redress in which they could air their grievances over land disputes. According to Le Couteur, Commonwealth subjects ‘had no locus standi’ and their representations are ineffective’. A number of settlers pledged to Le Couteur that they would pay the salary of a legal representative if the British government would appoint one. In his own words, Le Couteur described the current legal

21 The right to legal standing before a court.
arrangements on the island as ‘a farce’ arguing that the powers conferred upon commanders of British War ships were too limited to intervene on behalf of Commonwealth citizens (NAA: A 35, 2/23).

According to Le Couteur the ‘most glaring weakness’ was the lack of protection the British government provided its own subjects. He added with some astonishment that the British War ships allocated for the protection of Commonwealth citizens on the islands were rarely present during the cyclone season from December through to April. For ‘four months, sometimes longer, British settlers are absolutely without protection. The danger is very real’ stressed Le Couteur, adding that the situation ‘calls for some form of protection... possibly a gun boat should be detached for this service’ (NAA: A 35, 2/23).

In terms of the attitudes held by British and French settlers towards the future of the islands, Le Couteur reported that most favoured the British over the French. He was told that ‘a number of French settlers have lost faith in their government and would not be adverse to British occupation’ (NAA: A 35, 2/23). According to the account of one French settler, the population was almost without exception ‘averse to the French’ and the ‘natives were praying to the Queen for annexation’. Le Couteur added that, ‘if annexation is to take place the British settlers are of course unanimous for imperial occupation’. As to the natives, they were entirely in favour of the British, however, Le Couteur qualified this by indicating that the natives were ‘all things to all men’ and would give out to the highest bidder (NAA: A 35, 2/23). Such intelligence would support
Australia’s claim to imperial annexation when made public, but more importantly when revealed to Whitehall.

The result of Le Couteur’s intelligence would now be essential to establishing credibility for, and consensus behind, the Barton government’s Pacific policy aspirations. In order to create this consensus, Le Couteur’s intelligence assessments were released ‘anonymously’ to the public in The Age newspaper in a series of special reports (Thompson 1980: 168). The articles editorialised the benefits of imperial annexation and the scourge of French belligerence. The first article titled: ‘The Story of French Aggression’ was highly critical of British attitudes toward Commonwealth defence and trade interests in the Pacific. ‘The Prime Minister has brought the views of the Australian people to the notice of the home authorities’ reported The Age. ‘The latest information [read intelligence] shows that the agitation must be continued if an unfriendly nation is not to obtain an impenetrable footing within handy reach of our shores’ (The Age 6 February 1902: 5). Le Couteur’s intelligence seems to have made a return on the Barton government’s investment and was now being used to agitate the public and cultivate support for British intervention. Two subsequent articles, based on Le Couteur’s intelligence reports, were published in The Age on 8 and 11 February. The articles continued to attack French settlement and emphasised the inadequacy of British policy to have any real concern over

22 Much of information Le Couteur collected reappears in the subsequent newspaper accounts, for example, compare: Le Couteur’s population demographics, comments by local residents and Missionaries, disputes about land claims, the account of two crew members from the H.M.S. Wallaroo, land productivity, etc. (NAA: A 35, 2/23) with, The Age, 6; 8 and 11 February 1902. It is also curious to note that the particular phase ‘earth hunger’, as previously expressed by Deakin, reappears in The Age newspaper account again on 8 February, p. 13.
Australia’s security interests in the Pacific (The Age 8 February 1902: 13; 11 February 1902:6).

**New Hebrides: An assessment**

Although there is direct evidence that Le Couteur’s intelligence reports were publicised in The Age newspaper, there is no evidence identifying who leaked the information. Circumstantial evidence, does however suggests why it was done. It appears that the Barton government had a plan in place to use the press as a means of pressuring the imperial government into annexing the islands. For example, on 2 July 1901, Captain Richard Wilson, an Australian resident of the New Hebrides had written to Barton about the alarming state of affairs on the Island. Wilson urged Barton to call public attention to the matter ‘before it is too late’. Barton replied that the matter was under consideration but that ‘no good purpose will be served by raising discussion on the subject in the public press at this moment’ (NAA: A 35, 2/8, Author’s emphasis). Despite Barton’s reservations Wilson’s letter was published in The Sydney Morning Herald the following day (Sydney Morning Herald 3 July 1901: 9). Le Couteur later wrote to Barton saying ‘I very much regret the publication of Mr Wilson’s letter’. But he added a curious note saying that ‘from what was intimated to me it was not to appear for some time’ (NAA: A 35, 2/9, Author’s emphasis). Such statements suggest that the government intended using the press to agitate on the issue but Wilson’s letter had been released prematurely.
Despite the lack of direct evidence identifying who leaked the intelligence, there is no doubt that the Barton government had a known reputation for disclosing sensitive information about the New Hebrides to the press. The most comprehensive account of such events published by Roger Thompson (1980; 2000), highlights that a series of leaks to the press from the Australian government regarding issues on the New Hebrides had resulted in Britain considering Australia a bad security risk. As one Colonial Office memo noted, information regarding negotiations between Britain and France should not be given to Australia because it ‘would be published in the newspapers the next day and spoil everything’ (Thompson 1980: 171). Britain indeed had cause for concern because there were other leaks of British foreign policy information to the Australian press. For example, the Melbourne Argus on 9 June 1903 published a confidential British memorandum, which had been forwarded to Australia in October 1902 (NAA: A 1108, 3). On this occasion, The Argus reprinted the classified memorandum and details of a confidential conversation between British Foreign Secretary, the Marquis of Lansdowne, and the French Ambassador over land problems in the New Hebrides (The Argus 9 June 1903: 4).

It appears that the publication of Le Couteur’s intelligence reports in The Age followed a well-established pattern. But, perhaps, the rationale for this behaviour is that Barton was exasperated by the lack of British concern regarding Australian security interests in the Pacific. It appears the Barton government published information that would help support their policy goals and prompt the British government into taking action. Barton’s strategy and
feelings about the matter are made clear in a letter he sent to Atlee Hunt on 22 January 1904. Barton:

Do you know, if it turns out that after all these years they have done and will do nothing for us, I should be inclined to insist on leave to publish the correspondence in its salient parts. The government have to consider their responsibility to people and parliament, and far beyond that, their duty to Australia and its public opinion. The Commonwealth has suffered obloquy for nearly three years on the grounds of its apathy, while all the time it has been actively pushing the question. It is too much that it should continue to suffer abuse and to make enemies simply because the Colonial & Foreign offices are afraid to let their own wretched pusillanimity and shuffling be known to the world. If leave to publish is refused, I should still be inclined to publish a narrative, which would put the Commonwealth weight in Australian opinion.

(Hunt Papers MS 52, Series 39, Item 2112)

Barton’s modus operandi seems fairly clear: leak intelligence to the press in order place pressure on the British government and to cultivate domestic support for the Australian government’s policy agenda. In this sense, the use of intelligence in the New Hebrides case is highly relevant to the subject of politicisation because it reveals the form in which it occurred: that of publicising intelligence in the media for political gain. But it could be concluded that the act of publicising Le Couteur’s intelligence was motivated by a desire to push Britain to acquire the islands in the interests of Australian security. Nevertheless, intelligence was politicised in order to vindicate the policy preferences of the Australian government.

Indeed, the Barton government took full advantage of the public and political agitation the articles created. A stream of intelligence and other information was used as evidence to lobby Whitehall in the interests of bolstering Australian security. Since the formation of the Commonwealth,
seventy-two notes had been sent to London urging action on the matter and Alfred Deakin followed this up with several dispatches outlining Australia’s security interests regarding the New Hebrides (Sydney Morning Herald 3 August 1905: 10). Nevertheless, such remonstrations failed to convince officials at Whitehall. In secret, and without the consultation of the Australian government, Britain and France agreed to a joint Anglo-French protectorate over the islands with a condominium form of administration (Thompson 1980: 183). This result was not in Australia’s favour. The whole episode left Australian statesmen bitter and with a growing suspicion that Britain had little interest in the security of the Pacific.

Despite the domestic political capital delivered by Le Couteur, and the government’s persistent efforts to be consulted in the deliberations, this was not enough to persuade the British to completely annex the region. Deakin later recounted that the ‘surrender of the New Hebrides’ testified to ‘the supineness of the British Government and the wilful indifference of Downing Street to all Australian appeals’ (Morning Post 19 July 1906). Although substantial political effort had come to no avail, Le Couteur’s intelligence assessment did, however, influence Australian policy in two specific ways. Firstly, on the 12 June 1902, a contingent of ‘new Australian settlers’ was given lands to settle in the New Hebrides. The French government continued to protest (NAA: A 35, 7/30). This led to more subtle actions on behalf of both Barton and Deakin who indignantly started to refer to the New Hebrides as the ‘Australian Channel Islands’ (Hall

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23 This correspondence is contained in file: NAA: A1, 1908/9014 ‘New Hebrides’ National Archives Canberra.
1978: 128). Although the events did not unfold to the benefit of Australian security interests, the case represents the first instance of manipulating intelligence as a means of achieving uniquely Australian strategic goals.

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Case study two: New Caledonia

The following year (1902) French designs in the Pacific had again initiated another mission for an Australian spy. Yet, in this case, intelligence would not become a tool of political persuasion but rather a tool of imperial subversion. This episode highlights how intelligence could be a means of exercising imperial influence over Australian defence policy. Intelligence would take on an unmistakable political purpose. British military officials personally intervened in the intelligence process in order to support their own parochial aims. The surreptitious nature of the intervention was so secret that the Australian Prime Minister and senior policy-makers would never become aware of the events. Nor would they be alerted to the fact that an Australian military officer would become integral in the development of planning an invasion of a foreign nation using Australian troops. The use of an Australian military officer, in the extension of imperial policy, without the knowledge of the Australian government serves to indicate the frustration Australian statesmen felt with Britain's lack of sincerity towards Australia controlling its own security.
In December 1900, the Director of Intelligence and Mobilisation at the War Office in London, Sir John Ardagh, requested that a report be produced about local defences around the Harbour of Noumea in New Caledonia. The War Office had been informed that the French were building new fortifications and London demanded to know just what was going on. Ardagh, writing directly to Major-General George French, Commandant of the New South Wales Forces, asked that an officer be assigned to conduct inquiries and furnish back to him an assessment. French instructed Captain Tupper of the Royal Navy to proceed with the mission (Hutton Papers MS 50 086, Vol. IX: 246).

But Tupper’s report failed to please the War Office and the findings were immediately rejected. On 11 February 1902, the new British Director of Intelligence, Sir William Nicholson wrote to Major-General Edward T. Hutton, a British Officer on loan commanding the Australian Military Forces, complaining of Tupper’s report. The problem according to Nicholson was that Major General French had selected the wrong man for the job. ‘No military officer was specifically detailed for the duty’ wrote Nicholson, ‘and our stock of intelligence consequently remains deficient in many important respects. I should be glad if you could arrange to send an officer to make a full report on the defensive capabilities of that place’ (Hutton Papers MS 50 086, Vol. IX: 246-247). While a case can be made suggesting that Tupper’s intelligence did not fulfil the requirements the War Office asked for, it might also be reasonably argued that the intelligence was rejected because it did not provide the answers the War Office wanted to hear. Evidence suggests the latter is most likely.
Before Hutton took up his appointment in Australia, Joseph Chamberlain, the Colonial Secretary in London had instructed Hutton to use his influence in Australian defence policy planning to advance the interest of the imperial government. While Hutton was to appear as the servant of the Australian government, Chamberlain informed him that, ‘it must never appear that he was acting as the agent of the Imperial Government’. Hutton was instructed not to reveal his true purpose to anyone in while in Australia (Mordike 1992: 90-91). Indeed, Hutton’s enthusiasm to fulfil this role is evident in how he proceeded with the intelligence mission in New Caledonia.

Hutton ensured that a more appealing candidate was appointed for the assignment and one that would, perhaps, fulfil imperial interests. He personally selected Major William Bridges — Assistant Quartermaster-General during Hutton’s command — for the mission. On 24 May 1902, Bridges left Sydney to conduct a full military survey of New Caledonia and in particular to survey French defences around the Harbour of Noumea (Hutton Papers MS 50 086, Vol. IX: 249). However, Hutton later revealed that the true purpose of Bridges’ assignment was to ‘report the best possible means for attacking the same [Noumea] in case of the necessity arising, and to report upon ‘the best means of seizing this French Colony’ (Hutton Papers MS 50114, Vol. XXXVII: 189). Hutton had been instructed by imperial authorities not to reveal the plan because it ‘would attract political opposition’ in Australia (Mordike 2002: 3). Subsequently, Bridges was to report his findings back to London through Hutton, and these reports were never made known to the Australian government (Coulthard-Clark 1976: 7).
Hutton then made secret arrangements for the mission. Bridges was to travel under the disguise of a ‘commercial agent’ working for the Dalgety Company. Major Knox, a managing director of that company had helped Hutton put this story into place (Hutton Papers MS 50 086, Vol. IX: 249). Hutton then arranged for Bridges to be put on ‘sick leave’ from his official duties in the Australian Military. The Australian government knew nothing of Bridges mission or anything about his cover.

Bridges’ assignment lasted five weeks during which he submitted a number of intelligence reports based on his initial observations to Hutton (Hutton Papers MS 50 114 Vol. XXXVII: 189). He reported on the position of gun batteries around the Harbour and obtained photographs of French vessels approaching Noumea. He detailed the signalling systems they used and the passages of their approach. Maps of the island were obtained with considerable risk and military communication systems were identified. Although Bridges was an Australian Military officer, none of the intelligence he collected was ever presented to the Australian government (Coulthard-Clark 1972: 13-14; Verney 1985:24). But Hutton was pleased with the results. He nominated Bridges to the War Office for ‘the favourable consideration of Field Marshal Commander in Chief and Secretary of State for War’ (Hutton Papers MS 50 086, Vol. IX: 261). Bridges was subsequently rewarded for his work and Hutton promoted him to Lieutenant Colonel.

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24 Intelligence photographs taken by Bridges of vessels approaching the Harbour of Noumea—with annotated notes— are contained in the Hutton Papers Vol. XII, British Library.
When Bridges set about compiling his intelligence assessment Hutton directly intervened to ensure that the tone and all the necessary details of it were satisfactory before it was forwarded to the War Office in London. The reason for Hutton’s intervention in shaping the intelligence might be explained by advice he had received from Sir Charles Dilke, a Liberal reformist politician, who aspired to become the next British Prime Minister. While Bridges was on assignment in Noumea, Dilke had privately written to Hutton on 2 June 1902, confiding to him that ‘Australia would need its military force for the purpose of undertaking the conquest of New Caledonia and the New Hebrides’ (Hutton Papers MS 50 114 Vol. XXXVII; Coulthard-Clark 1972: 16). Hutton appears to have concurred with Dilke’s analysis and without the approval or the knowledge of the Australian government he started to draw up contingency plans for an invasion of the island using Australian troops (Hall 1978: 129; Coulthard-Clark 1972: 16). It is fairly clear that Hutton was using the information that Bridges had gathered in Noumea to formulate his own plans of invasion, as he wrote in a letter to the War Office on 22 September 1902:

I have carefully discussed with Lieutenant Colonel Bridges every detail connected with Noumea and its approaches, and I have made up my mind as to the best method of attack.

(Hutton Papers MS 50 086, Vol. IX: 261, Author’s emphasis)

Probably parochial interests motivated Hutton’s objectives. His intention was to guide intelligence subtly towards delivering information that would enable him to design plans of a military intervention — a scheme that was not authorised by, or even known of to the Australian government. As a British Officer Hutton was clearly an instrument of imperial policy with the capacity to
influence Australian politics. Yet, Hutton had no responsibility to the Australian electorate and the consequences of his plans would have fallen straight on the Barton government. Thus Bridges’ intelligence, under Hutton’s direction, would be used to serve one man’s military ambitions. Hutton used intelligence to achieve his own interpretation of imperial policy objectives. This intention is further evidenced by a statement Hutton made in a letter sent to, Vice Admiral Sir Cyprian Bridge, Commander in Chief of the Australian Section on 26 September 1902.

Hutton’s disregard for the political process or respect for Australian politicians is clear in his letter. There would be, ‘violent opposition to any idea of utilising Australian troops for any offensive-defensive operations’ Hutton declared. In his opinion, although there was ‘an instinct towards elbowing France and Germany out of Australian waters… Labor members advocating these principles’ would not tolerate, even under Australian direction, the use of force to obtain it (Hutton in Coulthard-Clark 1972: 17). Hutton later stated if Australian authorities objected to his defence plans he was determined to ‘initiate a Defence Policy of my own and carry it into effect at any cost to myself’ (Hutton Papers MS 50113 Vol. XXXVI: 208).

By 15 June 1903, he had done so. Hutton explained in a secret letter to the Director of Military Intelligence in London, Sir William Nicholson, that ‘I have completed a scheme for the seizure and occupation of Noumea’ (Hutton Papers MS 50 086, Vol. IX: 283). Despite the fervour of Hutton’s imperial aims, his scheme was never put into practice and later forgotten. This was probably
because implementing the scheme would have disclosed the true nature of Hutton’s appointment as an agent of empire and revealed the extent of imperial meddling in Australian military affairs (Mordike 1992: 91).

In May 1904, further intrigue had made Hutton’s service to the Australian military untenable. In May, Hutton had been caught using a secret cypher code to communicate information — probably about the invasion plans of New Caledonia — to the Secretary of State for War in London (NAA: B 168, 1904/2278). When the Australian Minister of Defence, Senator Dawson, asked if the communication contained information regarding Australian defence matters Hutton confirmed that it did. In a military minute dated 6 May 1904, Hutton told the Dawson that ‘I am not at liberty to give the Minister even confidentially a transcript of the code...[and that] the code in question is issued to General Officers Commanding only’. Senator Dawson demanded the Australian government had a right to know what was in the cablegram, reminding Hutton that he was ‘directly responsible to this government’ (NAA: B 168, 1904/2278). Nevertheless, Hutton refused to hand over a decoded copy. The Australian Prime Minister, it was later revealed, did not have access to the codes nor knowledge of their content despite being billed for the transmissions.

By June 1904, Hutton was again embroiled in another scandal. On this occasion he had prepared a confidential memorandum on the acquisition of new guns for the Australian Army. The Minister of Defence disagreed with Hutton’s recommendation, which resulted in a squabble. The correspondence between Hutton and the Minister of Defence, and the contents of the confidential
memorandum, were subsequently leaked to the press and published in the *Argus* on 23 May (*Argus* May 23, 1904). The story later made its way into a number of Australian newspapers and was also published in England. The disclosure of sensitive information and internal bickering caused Hutton and the Australian government considerable embarrassment. Hutton was arraigned before a Departmental Inquiry on July 4, 1904, to explain how the press had acquired the information (NAA: B 168, 1904/2278). Hutton protested his innocence arguing that the information had been leaked by the Department of Defence to damage his reputation. The inquiry never found who leaked the information but suspicion was squarely placed upon Hutton. As a result of Hutton’s underhand methods, his detachment as General Officer Commanding the Australian Forces was later terminated in November 1904.

As a direct result of Hutton’s provocations and imperial bias the post of General Officer Commanding the Commonwealth Military Forces was abolished (Mordike 2002:6-7). The Reid-McLean government, which assumed office in August 1904, replaced the position with a system of Military Boards. Appointed to serve on the Military Board was Lieutenant-Colonel Bridges who was promoted to Chief of Intelligence. Bridges’ loyalty to Hutton and empire may explain why he never revealed his secret mission to the Australian government. It may also account for the quick succession of promotion he enjoyed. As Coulthard-Clark argues, such unwavering loyalty earned Bridges the contentious reputation of a ‘Hutton Man’ (Coulthard-Clark 1979 a: 46).
The above case explains how intelligence intersected with politics and became politicised. These early intelligence missions were used to justify what political leaders and military commanders had already decided rather than to inform them of any other possible courses of action or policy options. Rather than remaining value-neutral, intelligence took on an unmistakable political tone. It was made public and brought into politics to lobby support for a political agenda. In this sense, intelligence was politicised to serve a political aim, but the underlying conditions that provoked this behaviour were strategic.

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Case study three: Japan

After 1905, Australia’s pursuit of independent security intensified. Any firm conviction that British maritime supremacy would shield Australia from threats emerging in the Pacific was gradually replaced by the feeling that Australian and British defence interests had diverged. Senior military figures, public servants, and the press began to accept the necessity of an independent Australian defence policy (La Nauze 1965: 515-516). They then started to advocate for it. It became clear that should Britain re-direct its defence commitments to the emerging problems in Europe, Australian security needs would be left in a compromising position. This perception escalated throughout the years 1905 to 1910.
Japan’s defeat of Russia in the battle of Tsushima (May 1905) elevated Japan to the status of a great naval power in the Pacific. Australian political attitudes began to change dramatically after this event. Misgivings about Japanese intentions now underpinned Australia’s growing sense of insecurity (Barton 1992:86). But the key point is that Britain did not share this perception. The renewal of the Anglo-Japanese Treaty in 1905 did nothing to allay Australian fears — Australian statesmen only foresaw an impending crisis. The assumption was that Britain had left Australian security dependent on the ‘good-will’ of Japan, Britain’s ally, to safeguard imperial security interests in the Pacific (Meaney 1976: 120). It was against this background that the Australian government would seek to intensify its own efforts of establishing a nationalist defence scheme and independent defence capabilities.

The Japanese threat to Australia — however unlikely it appears in retrospect — had a profound impact on Australian statesmen, none more so than Alfred Deakin. From 1903-1910, he was instrumental in addressing questions of Australian defence and external policy both as Prime Minister and as a senior Cabinet Minister. Sensing the limitations of the British security umbrella, Deakin sought to establish a separate and distinct Australian naval policy. Most specifically, he understood that Australian defence required a locally controlled Australian naval force operating under the command of the Commonwealth (Mordike 1992: 169). His problem was that this approach undermined the strategic policy of the British authorities and was opposed by some of his top military officers.
To achieve his aim Deakin recognised that implementing such a policy would require cultivating domestic political support and imperial cooperation from British authorities. Perhaps drawing from the lessons he learned in the Barton administration, Deakin understood that intelligence was one means of mobilising the necessary support. In the subsequent years that followed, publicity generated through the press indeed helped him achieve these political ambitions (Meaney 1976: 122-123). However, convincing the public, military advisors, and intelligence officials who remained loyal to imperial policy lines would not be so easy.

**A revolution in strategic thinking**

In August 1903, Deakin wrote in the *Morning Post* that ‘the situation in regard to defence is in every aspect unsatisfactory’. He went on to complain that part of the problem was that ‘local experts do not command the ear of the public’ and that, comprehending ‘issues of high naval strategy’ were ‘naturally beyond the man in the street’ (*Morning Post* 5 August 1903). Two years later he appealed directly to that audience. On 12 June 1905, Deakin embarked on a campaign of public and political agitation that started with a candid interview with the *Melbourne Herald*. The speech again stressed the inadequacy of the Australian Defence forces and its lack of military preparedness. The article headlined: ‘The Defence of Australia — Her Supreme Question Today’, expressed Deakin’s sentiment in most sensational terms. ‘The clouds gather slowly, but the lightening smites quickly’ the article editorialised. ‘It is madness for Australian’s

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to live in a fools paradise of fancied security’ *(Melbourne Herald, 12 June 1905:3).* Deakin’s interview outlined his vision for a policy on Australian defence and national security, but he was now faced with the difficult task of implementing it.

Intent on ‘awakening the public’ to the threat of Japan and the vulnerability of Australian defences, Deakin emphasised that ‘Australia which used to depend largely on its isolation for security, is now within what is termed striking distance of no less than sixteen foreign naval stations’ *(Melbourne Herald, 12 June 1905: 3).* Undoubtedly, it was Japan and her ambitions in the Pacific that were at the forefront of Deakin’s mind. Moreover, Deakin’s comments were a subtle criticism of the recommendations made by the Committee of Imperial Defence. Imperial strategists had argued that the Australian contingent of the Imperial Navy could resist a challenge made by foreign cruisers on its coastlines (NAA: MP 84/1, 1856/1/5). The New Hebrides affair had possibly confirmed to Deakin that British assurances of imperial security in the Pacific were less than certain. As he told The *Herald*:

As a fact, Japan is the nearest of all the great foreign naval stations to Australia. Japan at her headquarters is so to speak next door, while the Mother Country is streets away. It is very doubtful if we are properly prepared to meet a dash at our weak spots delivered by two or three fast cruisers.

*(Melbourne Herald, 12 June 1905:3)*

Deakin made clear that Australia would be served best by preserving its own national security interests. In doing so, he maintained that the nation must carefully and thriftily invest in defence capabilities — particularly on the naval side *(Melbourne Herald, 12 June 1905:3).* Airing his doubts over the policy
recommendations made by the Committee of Imperial Defence, Deakin took aim at the limitations imperial policy vested in Australian security needs. ‘We are quite unable to take the offensive ourselves’ he argued ‘the headquarters of the British squadron is in the China Sea, and consequently, the Australian squadron may have to perform its duties at a great distance from the Commonwealth’. Deakin left his audience with a clear warning, ‘when we are attacked it will not be with kid gloves, it will be when we least desire it and with remorseless fury’ (Melbourne Herald, 12 June 1905:3).

His rhetoric was undoubtedaneously stirring and resonated with his audience — Australia’s isolation was its Achilles’ heel. To Deakin, Britain should not be the sole arbiter for the protection of the dominions in the Pacific, and Japan could not be trusted to honour its obligations regarding the Anglo-Japanese alliance. According to Deakin, Australia could no longer reside in a ‘fool’s paradise of fancied security’ (Melbourne Herald, 12 June 1905:3). As Meaney argues, the statements made by Deakin in the Melbourne Herald ‘become the starting point and the guideline for a revolution in Australian strategic thinking’ (Meaney 1976: 129). While the press, public, and some sectors of the public service responded accordingly to Deakin’s call to action, some of his key advisors remained unconvinced.
Immediately following the Melbourne *Herald* article, Federal Treasurer Sir George Turner, requested the Chief of Intelligence, William Bridges, to provide an assessment of Deakin’s published views. Bridges’ response was worded carefully. He suggested that very little of Deakin’s speech should be new analysis to the government (NAA: B 168, 1904/184). This comment probably reflects Bridges’ own preference that imperial policy recommendations need not be changed to fit Deakin’s analysis. As he wrote to the Treasurer, ‘speaking broadly, no exception can be taken to the statements referring to Defence and to the military forces in particular’ (NAA: B 168, 1904/184 Part 4). But it was perhaps the means of achieving security, independent of Britain, that Bridges objected to most of all. On this matter, Bridges reiterated the Hutton imperial policy line to the Treasurer, arguing that ‘Australian Defences should be sufficient to meet a raid by four cruisers’ adding that this issue had been sufficiently dealt with by the Council of Defence. Bridges perhaps displayed his own predilection towards the imperial policy position suggesting that Australian policies were at present in accord with imperial recommendations. Thus, the Chief of Intelligence failed to provide any support or encouragement toward Deakin’s views (Verney 1985: 46).

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26 Before a General Staff was established, the Federal Treasurer sat as a member on the Council of Defence. The Council for Defence was the body responsible for matters affecting general policy of the naval and military defence of the Commonwealth, measures necessary for the defence of the Commonwealth in times of war, and defence expenditure.
In May 1905, Chief of Intelligence, William Bridges, had been sent to London to assist the Committee of Imperial Defence in considering issues of Australian coastal defences.\textsuperscript{27} The report delivered by the Committee directly challenged any notion of an independent Australian naval squadron. It also undermined much of the advice given to the Australian government by local military advisors. The key to imperial ‘blue water’ defence, the report claimed, was the concentration of the British Navy. The Committee urged that ‘the best and, indeed only necessary defence for Australia can be provided by the Admiralty’ (NAA: MP 84/1, 1856/1/5). Again, the Committee, as it had previously stated, argued that the prospect of an attack on Australian coasts was slim. In their opinion, such an attack would only involve a raid by three or four unarmoured cruisers on Australian shores. The imperial squadron, in any case, could adequately deal with such an attack (NAA: MP 84/1, 1856/1/5). In Bridges’ view, the recommendations of the Imperial Defence Committee had sufficiently answered the question: an independent Australian naval policy was unnecessary.

In assessing Deakin’s claim that Australian ports were inadequately defended, Bridges told the Treasurer that ‘much stronger statements than these were made in 1901’. He argued that since that date a number of modern guns had been ordered and received (NAA: B 168, 1904/184/Part 4). This statement again reflected the imperial policy position, which had recommended that “blue

\textsuperscript{27} The Imperial Defence Committee was the highest authority in regard to imperial defence policy.
water” defence is to suffice for Australia...there is no necessity for undertaking harbour defences of a floating character’ (NAA: MP 84/1, 1856/1/5).

Bridges concluded his report by indicating that ‘full value’ of Australian defences had not been obtained because of an inadequate ‘system or policy of defence’ (NAA: B 168, 1904/184 Part 4). This comment, perhaps, indicates Bridges’ own resentment at the continued disorganisation of the Australian forces, which his mentor Hutton had tried unsuccessfully to implement. Clearly evident in Bridges’ analysis is a divergence over the means of achieving Australian defence rather than on the ends. Military officers, like Bridges, had on the one hand accepted the British assessments regarding what kind of attack Australia might face. On the other hand, they differed on the means of meeting this challenge, specifically on Deakin’s ideas of an independent naval policy (Meaney 1976: 138). It was through imperial policy that Australian security could be achieved not through the policy of a localised and independent defence scheme. And on this point, Bridges would not ingratiate himself with Deakin’s politics nor allow his intelligence department to play any part in doing so.

The divergence of opinion between the Imperial Defence Committee and Australian military advice created a political and diplomatic problem for the Deakin government (Mordike 1992: 170). Politically, Deakin needed to persuade those loyal to the imperial policy line that his defence scheme would be of value, both strategically and economically. Diplomatically, Deakin understood that even though he desired an independent naval policy, in times of crisis, Australian defence would still depend on the Royal Navy, especially in remote seas (La
Nauze 1965: 518). His policy aspirations would need the blessing of the Admiralty and his own military officers if it were to succeed. These problems created a strong incentive for policy-makers like Deakin to attempt to manufacture a consensus that supported his policy plans. An important condition for establishing this view would be to take political advantage of claims about Japanese invasion and espionage in Australia.

One means of cultivating consensus was to establish a system of intelligence exchange between Australia and other Commonwealth countries. Subsequently, Australia entered into its first intelligence sharing alliance, a theme that would prefigure the later Australian intelligence community. Between 1905 and 1908, Australia began sharing intelligence diaries and information with New Zealand, India, South Africa and Canada (NAA: MP 153/10). What can be attained from the historical record suggests that these events had a significant impact on solidifying Japan as a potential threat to Australia. The information obtained through sharing intelligence enhanced the perception of Japan as a potential threat by bringing to light claims of espionage throughout the Pacific. This perception only made the prospect of politicisation stronger. It also underpinned the establishment of Australia’s first intelligence service, the Australian Intelligence Corps.
In November 1906, the intelligence department of the Canadian Militia Headquarters sent Bridges a report from Captain Albright of the 25th US Infantry. Albright reported in detail what he described as the ‘sinister purposes’ of the Japanese in the Philippines. He reported that ‘there are a large number of Japanese now occupying the Northern portion of the island of Luzon’ (NAA: MP 153/10, 1833/3/6). Shortly after on 6 November 1906, the *Sydney Morning Herald* and the Melbourne *Argus* reported that American officials had arrested Japanese spies for mapping out railways, rivers and bridges in the vicinity of Manila (*Sydney Morning Herald* 1906:7; *Argus* 1906: 5).

Three months later, further reports came to the attention of the Intelligence Department of the Canadian Militia Headquarters. According to the reports, the Japanese were now engaged in a systematic survey of the Pacific Coast of the United States. These survey’s included making soundings of waterways and coastal charts while also collecting an ‘elaborate system of photographs’ (NAA: MP 153/10, 1833/3/17). The reports were subsequently passed on to Bridges and the Australian government. Another report dated 5 February 1907, stated that settlers on the Olympic Peninsula of Washington State were becoming increasingly concerned with the activities of Japanese. The report stated that the Canadian Intelligence Services:

> See occasion for alarm at the presence of a party of Japanese who are gathering data regarding the strategic points of the Pacific Coast. It is believed they are working for the Japanese government, and have in their possession maps and blueprints relative to the coastline, depth of water and possible influence of currents on vessels approaching the shore.

(NAA: MP 153 /10, 1833/3/9)
In an emerging pattern intelligence reports then began to appear in Australian newspapers. Under the headline: 'Japanese Spy: Arrest in California' the *Sydney Morning Herald* and the *Argus* reported that a Japanese Officer had been found in San Diego with papers that ‘include everything useful in the event of an attack on the Pacific coast. Among his papers was a plan of the minefield of the Harbour of San Diego’ (*Argus* 15th July 1907: 7; *Sydney Morning Herald* 15 July 1907: 7).

Indeed, the press had been particularly willing to inflame public fears over suspicions of Japanese espionage in Australia, while the Intelligence Department did little to corroborate the substance of the matters. Likewise, elected representatives understood the political advantage such alarming claims could produce. ‘Cabinet Ministers, Members of Parliament, the press and the Australian Natives Association have all been certain of applause when they have pointed to Japan as threatening our safety and our racial integrity’ reflected Edmund Leolin Piesse, later Australian Director of Military Intelligence (1916–1919), and indeed there was much political capital to be enjoyed from propagating the real or supposed fear of Japan (Piesse Papers: 1925).28 Deakin appears to have capitalised on the timing of these events and in December 1907, he publicly declared his government’s commitment to the establishment of an Australian naval flotilla (Meaney 1976: 133).

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While there was much capital to be gained for politicians in agitating the public towards their policy objectives, it was also expected that political capital could be gained from an Intelligence Corps. On 2 December 1907, a Draft–Order–in–Council was submitted to the government proposing the establishment of the Australian Intelligence Corps (NAA: MP 84 /1, 1849/2/13). Recognising the potential value of such an outfit the Australian government authorised the functioning of the Corps almost immediately. The Corps became effective 6 December 1907 (NAA: MP 84/1, 1849/2/13). Containing Japanese espionage was the motivation for the establishment of the Corps, and most certainly, this line of inquiry occupied the main stimulus for its work in the following years.

Despite high expectations that the Intelligence Corps would deliver work of great importance, early attempts at intelligence gathering were amateurish and proved to be of little use in policy development. Informed sources of information were difficult to obtain and the assessment and collation of data was equally poor. These first efforts at counter-espionage were often provoked by alarm coming from the public and the press rather than the government requiring specialist information. Jurisdictional boundaries were blurred and state police forces conducted most of what can be considered the counter-espionage function (Atkinson 1964: 231). While early intelligence gathering was ineffective for assisting policy development, it was however, more useful for political purposes.

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29 The Australian Intelligence Corps was disbanded in March 1914 just before the commencement of World War One (Coulthard-Clark 1976: 47).
By 1908, ‘the shiver of anxiety’ about Japanese spies in Australia became pronounced. On one occasion, the Chief of Intelligence had received a letter from a militia officer stating that, for some months parties of Japanese fishermen were engaged in obtaining information on the resources of Queensland. This information, declared the officer, ‘would be of use in the event of military operations’ (NAA MP 84/1, 1877/5/4). Days later, headlines about ‘Japanese Pseudo Fishermen’ started appearing in the Australian press. The Brisbane Daily Mail reported that Japanese pearl fishermen were making soundings of the Great Barrier Reef ‘in order to become cognisant of its passages and dangers’. A Naval Officer backed up the claims arguing that:

Although it was not well known there were Japanese Naval officers working on the pearling boats and that some had been discovered with more complete charts of the Barrier Reef than those supplied to the British Admiralty.

(The Daily Mail, 28 April 1908)

These activities were brought to the attention of the Minister for Defence T. T. Ewing, and other senior military advisors. In a military minute dated 5 May 1908, Captain Creswell, Director of the Naval Forces stated that he concurred with the allegations of spying, despite no formal inquiries having been made. He informed the Minister for Defence, ‘I am of the opinion that the statement [in the Daily Mail] is correct, and probably vastly underestimates the extent of this work of a spying and prying order has been carried out’ (NAA: MP 84/1, 1877/5/4). Creswell’s motives for accepting the Daily Mail’s information at face value are quite clear. His policy interests, like Deakin’s, were directed towards the establishment of an Australian Navy (Mordike 1992: 169). As Creswell later noted to the Secretary of Defence, ‘the spying and survey work on our coast by
foreigners would be impossible had we a coastal service of destroyers’ (NAA: MP 84/1, 1877/5/4). Creswell had come to accept and support the strategic picture that Deakin had cultivated.

In a report submitted to the Council of Defence Creswell made clear that his policy position was in complete accord with Prime Minister Deakin’s. Creswell argued that Australia’s Defence force was ‘incredibly weak’, adding that ‘while world conditions have increased our risks, the means of meeting them have decreased’. According to Creswell, if Australia were to survive it would have to acquire self-sufficiency in both land and sea forces. ‘Our present policy’, Creswell argued, ‘is without reason and inconsequent’ (NAA: B 173/0, s1905/144). Regardless of the substance in the reports of Japanese espionage in Queensland the notion that they were taking place would again help mobilise support for Deakin’s policy of an Australian Naval squadron under Australian control.

Allegations of Japanese espionage in North Queensland persisted and the Military Board instructed the Chief of Intelligence William Bridges to investigate. However, Bridges, rather than allocate the task to the newly formed Intelligence Corps, decided to refer the matter to W. G. Cahill the Queensland Commissioner of Police. Cahill had enquiries made by the officer in charge of each and every police district in the state of Queensland. He delivered two intelligence assessments on 8 and 28 July 1908 (NAA: MP 84/1, 1877/5/4). The reports were then forwarded to the Minister of Defence and Prime Minister Deakin.
In assessing the activities of Japanese pearl fishermen on the Great Barrier Reef, the police report emphasised that:

There is no truth in the rumours, which, they [police] report are circulated solely by the European Bèche-de-mer\textsuperscript{30} fishermen, who are very jealous of and hostile to the Japanese fishermen. The Inspector of Police is of the opinion that there is no foundation for the rumour contained in the article in question.

(NAA: MP 84/1, 1877/5/4)

Cahill’s report noted that while Japanese frequently moved throughout the State of Queensland, he could find no information tending to prove the suspicion that Japanese were engaging in espionage. Although Bridges was satisfied with the analysis Cahill delivered, Deakin and his most senior political and military advisors rejected the findings outright. Attlee Hunt, Secretary to the Prime Minister, T. T. Ewing the Minister for Defence, Joseph Cook, and Captain Creswell saw no reason to discredit the allegations contained in the media reports. The government continued to argue that espionage would be the prime duty of such men (Atkinson 1964: 232; Coulthard-Clark 1976: 26). These strongly held convictions were likely to have been informed by a subsequent report delivered directly to, Atlee Hunt, and Deakin by the Acting Chief Secretary of the Queensland Government.

On 18 July 1908, Chief Secretary Barlow wrote to Deakin arguing that ‘in my opinion the matter has hitherto pursued the wrong channels of communication’. Barlow protested that Deakin, not the Military Board should have instigated the inquiry. This is likely because the Queensland government at the time of the inquiry were not aware of the investigations despite having their

\textsuperscript{30} Bèche-de-mer is otherwise known as sea cucumber.
police force used to conduct the operation. Deakin wrote back to Barlow on 28 July stating that ‘I agree with your view in regard to the channels of correspondence’ and assured him that it would not happen again. By 14 August, Barlow submitted a new report to Deakin, which made a strikingly different assessment of the situation (NAA: MP 84/1, 1877/5/4).

This assessment reported that two well-educated Japanese men were known to be in the vicinity of Mackay, Townsville, Cairns and Brisbane at the time in question. They had been observed making inquiries into the condition of Australian sugar mills and the surrounding rivers. The report noted that this should be reported, as these men were known to be commercial agents of the Japanese government. The officer in charge of this inquiry, Inspector Galbraith, stated that these men possessed travel papers signed by the Japanese consul in Honolulu. It was also reported by the police that both men had taken numerous pictures of surrounding rivers and subsequently left the area in a hurry the next day by fishing boat (NAA: MP 84/1, 1877/5/4). While the Secretary of Police and the Collector of Customs knew of this, it was not deemed relevant by Cahill or Bridges to be included in the first intelligence assessment. Of course, Deakin and his supporters found the second report more appealing.

The new revised intelligence report provided ample political opportunity for those with aspirations of a national defence scheme. Captain Creswell for example, capitalised on the situation asserting that if there was a local navy such activity could not take place. Other military advisors recommended legislation could remedy the problem by enabling the government to prosecute (NAA: MP
It was suggested that an amendment to the Crimes Bill — then in preparation — make unlawful soundings of waterways a criminal offence. Lieutenant John Gillett Fearnley, of the Royal Navy used the situation to put forward his own criticisms of the inadequacy of imperial policy and supplied his own political recommendations. Fearnley:

Unfortunately the position of the Empire is now such that no matter what stress we were in, England could not dispatch an effective force to our assistance...hitherto we have relied upon the British Department for Intelligence, but I would respectfully submit that Australia’s interests in Japan’s movement is greater and more vital than that of Great Britain ... we may be pardoned if we seek information first hand in the case of Japan.

(NAA: MP 84/1, 1877/5/5)

In light of these claims, Fearnley advised the Minister of Defence that Japanese men employed in the pearling industry on Thursday Island had been working for the Japanese intelligence department. He reminded the Minister that ‘although espionage is a customary thing between nations, it is only carried on between potential enemies’ (NAA: MP 84/1, 1877/5/5). He urged the Minister to create an Australian Secret Service to collect first-hand information on Japan. To many policy-makers, who now accepted Japan as serious threat to Australia, these claims of spying only vindicated their suspicions that Japan was intent on invasion. Furthermore, this confirmed Australian suspicions that the British Navy had no interest or capacity to limit such activity.
Others like Bridges and Cahill adopted a less alarmist view and were more reserved in their assessment of Japanese intentions. Their inquiries presented plausible arguments about the intentions of Japanese fishermen. Police noted that the underlying motives behind reports of Japanese espionage arose from disgruntled Australian fishermen jealous of Japanese encroachment into their waters. From the outset Bridges had disputed the claims of espionage suggesting to the Minister of Defence that he had doubted the credibility of the reports even before an investigation had been conducted (NAA: MP 84/1, 1877/5/4). Given the racial sentiment aroused by the *Immigrations Restrictions Act 1901* (Cwlth), and the contempt towards Japan inflamed by the press, arriving at such conclusions appears to be sound. What is surprising, and puts Bridges’ assessment in doubt, is why such important information was left out of the initial reports.

Questions arise as to whether Bridges and the Queensland Police aimed to thwart Deakin’s policy aspirations or whether the intelligence they delivered was just incomplete. Evidence suggests that on both sides information was selectively chosen or ‘cherry-picked’ to support the arguments of each party. It appears that intelligence became tangled within the politics of defence policy-making and resulted in shaping policy decisions. In terms of outcomes, one consequence did become apparent. Section 83 of the *Crimes Act 1914* included the making of unauthorised sounding and hydrographical surveys in all territorial waters a criminal offence (Crimes Act 1914, Section 83). The inclusion of Section 83 in the passage of the *Crimes Act* indicates the level of suspicion aroused by such activity and the inability of the government to address such
issues through formal channels. Fearnley's suggestions of an Australian Secret Service were however declined by the government.

The Japanese crisis: An assessment

It might reasonably be argued that political conditions underpinned how intelligence became politicised in the above case. For example, intelligence fell short of maintaining any sense of political objectivity in assessing the situation and Bridges’ personal views seem to have clouded his assessment of the investigation from the outset. His analysis emphasised the subjective. Bridges’ interpretation of Japanese intentions appears to be one aligned with his own preference for imperial policy recommendations. In this sense, he maintained the imperial policy position and his commitment to this position may have suppressed an alternative analysis of the situation. Indeed, Bridges was an officer who ‘was sympathetic to the imperial view’ and was imbued with Hutton’s imperial ideas. He remained loyal to the Empire, opposing Deakin’s Defence Bill right to the end (Mordike 1992: 172–173). On 29 September 1908, just as the Defence Bill was presented to parliament, Bridges penned a letter to Hutton. ‘We can only hope that it [Defence Bill] will not pass, if it does, farewell to any effective military forces in Australia... but the mischief will be done and our existing forces destroyed’. Bridges closed the letter ruefully, explaining that ‘military opinion is of no weight against the popular view’ (Hutton Papers MS 50089, Vol. XII: 64–65). 32

31 Before amendments to the Crimes Act 1914, it was not illegal for foreigners to conduct this type of information gathering.

32 Bridges career spanned thirty years of service. He was promoted to Chief of the General Staff in 1909. He later became Commander of the Australian Imperial Forces...
Ultimately, Bridges’ hopes were only partly met. The Deakin government fell before the Defence Bill could be passed in parliament and it would not be until Deakin’s third and final term as Prime Minister, that his long held aspirations of a local naval force would be realised. Begrudgingly, the British Admiralty finally acquiesced, and Joseph Cook, the Defence Minister, introduced the Bill to the Australian Parliament in September 1909. The British Admiralty agreed to cooperate and pledged to help establish a ‘Pacific Fleet’ in which an Australian naval force would have some autonomy in its own naval affairs (Meaney 1976: 195).

It appears — from the evidence available — that the Australian government’s intention was to use intelligence to strengthen support for its policy ambitions. Political assumptions determined what the threat was and intelligence was politicised to justify the premise. Deakin had publicly declared his intention to develop an Australian naval defence policy that could protect its own coastlines and coastal trade. He anticipated Whitehall would reject this. Intelligence information helped establish the wisdom of his policy choices. In bringing to reality his nationalist defence policy ambitions, Deakin, on the one hand enjoyed considerable support from the public and the press. In pursuing his goal he had attentive allies ranging from the Director of Naval Forces such as Creswell, the Minister of Defence T. T. Ewing, and Atlee Hunt the Secretary of External Affairs.

and received a Knighthood. Bridges died from wounds received at Gallipoli on May 18, 1915 (Coulthard-Clark 1979 a: 187; Mordike 1992: 172).
On the other hand, Deakin faced considerable opposition from imperial loyalists such as Bridges and Hutton and the imperial authorities in London. British authorities had continually received demands for an Australian voice in imperial policy without enthusiasm and had consistently ignored Australian concerns. This left Australian statesmen with the sense that Australia was exposed and strategically isolated. Japan's rise as a power in the Pacific exacerbated these fears of isolation, but they were also capitalised on. Deakin actively sought to manifest Japan as a menace to Australia as a justification for an independent defence policy. Bridges and other military planners, however, did not accept such alarmist conditions as a basis for defence planning (Meaney 1976: 156). Bridges, likewise, had made known his opposition to an independent Australian defence policy and for the most part refused to play such partisan politics.

Deakin sought to provide Australia with a greater voice in imperial defence planning, understanding that imperial and Australian policy interests were not congruent. In doing so, intelligence became just one means of helping achieving these goals. This is perhaps not uncommon when intelligence intersects with policy. As one writer observed, history shows that what political leaders decide intelligence tends to seek to justify (Kissinger 1994: 303). In this case, when intelligence did not deliver according to policy objectives it was ignored and rejected. Alternatively, when it did conform to those objectives it was used to justify already resolved political questions.
Such defects in the relationship between intelligence and policy-making are not surprising for this period. As one observer has remarked, peak concerns about Japanese espionage have usually coincided with periods in which Australians felt most vulnerable (Oliver 2002:1). Indeed, Australian strategic policy-makers were facing the external world for the first time and in the light of dramatic changes in the global environment. Conflict over whether Australia should rely on imperial protection or develop its own independent defence schemes would ultimately draw all sources of informed opinion into the realm of politics. In this sense, intelligence from 1901 to 1910 was in many ways politicised for altruistic national aspirations. Intelligence became just one means of pursuing and justifying policy goals and served a useful purpose in mobilising public support for nationalistic aims. Intelligence was an effective public advocacy vehicle, which helped policy-makers justify the logic of the decisions. The fear of invasion, a fear of geo-strategic isolation, and a fear of the unknown ‘other’ underpinned by racial biases were all capitalised on by policy-makers for partisan gain. In the end, intelligence was politicised on a number of occasions for the purpose of strengthening Australian strategic goals in a rapidly changing and increasingly uncertain geo-political environment.
Conclusion and preliminary findings

It is possible to extricate conclusions from the aforementioned studies which suggests that intelligence was politicised in this era because Australia political leaders felt so uncertain about Australia’s place in an increasingly unstable geopolitical environment. Geographic isolation underpinned fears and heightened a sense of vulnerability. Australia’s response was one concerned with its own immediate security needs, which insisted the Empire listen to its demands. Australian political leaders felt both isolated from, and neglected by Britain in resolving distinctly local security questions. Australian statesmen sought to remedy these problems by any means possible. Intelligence was but one resource among many that could help achieve these goals.

A comparison of each case study reveals both differences and similarities. The first difference involves the forms of politicisation that occurred. The New Hebrides case is an example of how intelligence was used as a coercive resource to advance the political and policy agenda of the Barton government. In this instance, intelligence became politicised because it was ‘publicised’ in The Age newspaper to achieve this aim. Given the context surrounding this case, it could be concluded that Le Couteur’s intelligence mission was one not intended to enhance policy development, but one intended to vindicate an established policy position, that of imperial annexation of the New Hebrides in order to strengthen Australian defences.
The forms of politicisation occurring in the Japanese case were subtler. Although there is evidence indicating that the Deakin government ‘cherry-picked’ intelligence that was favourable to their policy aspirations, there is also evidence suggesting that Bridges and the Queensland Police neglected to report important facts regarding Japanese espionage to the government. It appears Deakin and some of his senior advisors only accepted intelligence that suggested Japanese espionage was a potential act of foreign aggression and a prelude to invasion. Here, intelligence that supported this position was accepted and intelligence that did not was rejected. In other words, intelligence was used selectively to build support for an independent defence scheme and for creating a national consensus. Intelligence helped establish the credibility for, and rationality behind, these policy ambitions.

The New Caledonia case represents a clearer example of direct politicisation. The factors set forth in the Hutton case show that intelligence was used to plan a military invasion of a foreign country using Australian troops without the Australian government ever becoming cognisant of the operation. The case is an example of an unauthorised operation and direct politicisation of the intelligence process. It was unauthorised because the decision to conduct the operation was made by military officers of a foreign government without the knowledge or consent of the Australian government. And, it was direct politicisation for two reasons. First, Hutton appointed a pliant Australian intelligence officer to collect the intelligence, and second, because that information was used for the strategic purposes of another government. These plans stood in direct opposition to the foreign policy pursued by the Barton–
Deakin government. It demonstrates how an Australian intelligence operation was used to help achieve the political objectives of a foreign government.

A second difference presented in each case is the source from where politicisation eventuated. In the New Hebrides and Japanese cases, the initiative to use intelligence to achieve a political aim appears to have originated from political leaders (Barton and Deakin). In the New Caledonia case, no political participation took place, but it was a military leader (Hutton) who initiated the manipulation of intelligence for a political purpose. In this sense, the evidence indicates that although political leaders can manipulate intelligence to achieve a desired policy outcome, others such as military leaders can also engage in such a practice. A critical factor here is that political behaviour is not an isolated condition contributing toward politicisation. Military leaders and possibly other levels of bureaucracy can cause intelligence to become politicised.

There is one similarity running through each of the cases. In all cases, intelligence was misused to achieve a strategic policy aim. In the New Hebrides case Barton used intelligence as a means of mobilising support for an already established policy decision — that of imperial annexation of the New Hebrides. It was subsequently publicised in order to persuade and build public support for the decision. In the New Caledonia case, Hutton used intelligence to gather information so that he could implement his own plans of invading the island. In the Japanese case, Deakin only used intelligence that validated his policy aim of creating an independent Australian Navy. In this sense, strategic factors provide
the best answer to the question of what conditions enabled intelligence to become politicised.

In summation, the empirical evidence presented in this chapter tends to suggest that intelligence became politicised largely because of the broader geopolitical circumstances in which it operated. On the one hand, intelligence was used as an agent of imperial policy, and on the other hand it was the servant of the new nation’s policy aspirations. These same issues, as shall be demonstrated in the chapters to follow, would foreshadow the problematic relationship between Australian intelligence and policy-making for decades to come.
Chapter Three
Loyalty and allegiance: Australian intelligence, radical politics and conscription
(1914–1918)

I look around today and see the Party to which I have devoted my life hopeless, irrevocably divided: its organisation broken: its future uncertain: its machinery captured by Syndicalists of the IWW type plus the Sinn Feiners who foam at the mouth whenever my name is mentioned. What an unholy alliance...

(William Hughes, Prime Minister)

Introduction
While attending the Paris Peace Conference in 1919, Prime Minister William Morris Hughes remarked that ‘the best way to govern Australia was to have Sir Robert Garran at his elbow, with a fountain pen and a blank sheet of paper, and the War Precautions Act’ (Eggleston Papers, Series 107, Item 16). The comment represents Hughes’ autocratic style of leadership during the conscription controversies of World War One and reveals the power vested in the executive of his government to use the law as an instrument of his political desires.

33 W. M. Hughes to Andrew Bonar Law, 6 November 1916 (Bonar Law Papers M 1123, Box 53, Folder 4, Item 15).

34 Robert Garran (later Sir) was the Solicitor General.

35 This statement appears in ‘Confidential Notes on Australian Politics’, Chapter 5, located in the Eggleston Papers, Series 107, Item 16, Noel Butlin Archives Centre, Australian National University: Canberra.
For the previous five years, the Hughes government had been embroiled in a bitter conflict with radicals, trade unions, Irish nationalists, and members of the Labor Party over implementing the policy of compulsory overseas military service. Twice the issue of conscription was put to the Australian people in a referendum. But twice it was defeated. The Hughes government saw this defeat as the result of the anti-conscription movement. If, as the government assumed, Australians had rejected conscription, it was because disloyal agitators had misled them. Based on this assumption, national security legislation was consistently expanded and the intelligence services were given wide-ranging powers to suppress opposition and dissent. Protest groups were denounced. Activists were labelled traitors. Hughes’ Labor Party colleagues were spied upon. All were represented as subversive and thereby a threat to national security. They, in turn, became the objects of political surveillance and subject to thorough scrutiny. As this chapter demonstrates, the government had no misgivings about using its intelligence services under the provisions of extensive national security legislation to cut down those who challenged its political agenda.

Concentrating on these events, this chapter surveys how the Hughes government reacted to a small but well organised anti-conscription movement. It describes how Australia’s first civil intelligence agency, the Counter Espionage Bureau, along with Military Intelligence, the Censor’s Office36 and state police forces were used by the government to assail its political opponents during the First World War (1914–1918). The chapter first outlines the establishment of the

36 Approximately twenty members of the Censors Office were ex-members of the Australian Intelligence Corps. See: Coulthard-Clark, C (1976) p. 53 and Scott, E (1989) p. 62.
Counter Espionage Bureau and its role in the conscription campaigns. It then focuses on several instances of when the government politicised the intelligence services to repress opposition and to advance its own political agenda.

The chapter argues that three factors help explain why this situation arose. The first is excessive ministerial control. As Prime Minister and Attorney General, Hughes exercised almost complete authority over the direction and control of the intelligence bureaucracy. Second, supported by the *War Precautions Act 1914* (Cwlth) and the *Unlawful Associations Act* the intelligence services became very powerful. But there was minimal bi-partisan oversight or independent scrutiny of how the intelligence services functioned under this legislation. The intelligence services frequently provided information to Hughes who used it to advance his own political ends, without interference. And finally, conditions created by the war and exacerbated by the policy of conscription created deep social divisions whereby political opposition groups emerged. In response, the government used the intelligence services to control dissenting views and discredit their standing. As detailed later in chapter five, this condition would foreshadow similar events during the Vietnam War. What follows in the proceeding chapter, however, is a discussion of how the aforementioned conditions led to the politicisation of intelligence during the course of the First World War.
The Counter Espionage Bureau

The Australian intelligence community, as formally constituted, emerged largely as a response to the First World War. With the advent of War in 1914, political leaders looked to their intelligence community for advice and demand for their services grew (Cain 2001: 117). While the focus of the services work was initially intended to detect instances of foreign espionage and identify enemy aliens, domestic political issues drew the services into monitoring internal political enemies, specifically individuals and groups opposed to the governments war policies. The most politically expedient of these intelligence services was the newly created Counter Espionage Bureau.

On 5 August 1915, Andrew Bonar Law, Secretary of State for the Colonies wrote a private memo regarding ‘a matter of considerable importance’ to Sir Ronald Munro Ferguson (Lord Novar), the Australian Governor General. The memo contained a ‘Secret Memorandum’ regarding counter espionage. Law urged Munro Ferguson to discuss with the Australian Prime Minister, Andrew Fisher, the establishment of an Australian Counter Espionage Bureau in order to coordinate and collate information with London (Novar Papers MS 696, Series 6, Item 1337). Either through mishandling or indifference, no action was taken and for three months the matter remained dormant.37

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37 Hughes claims it was on his advice that Prime Minister, Andrew Fisher, created the CEB; see ‘War Cabinet Agendum, Internal Security, Memorandum by the Attorney General’ in NAA: A 12383, A/2/1 Attachment 2. Other evidence suggests that Fisher never received the memo from Bonar Law; see memo dated 14 January 1916, George Steward to Secretary of the Prime Minister’s Department, NAA: A 3932, SC 298.
Bonar Law had to nudge the Australian government to take notice of his request. On 26 November 1915, the matter was finally brought to the attention of the new Prime Minister, William Morris Hughes. Bonar Law reiterated to Hughes that some effort was required on behalf of the Australian government to ‘defeat the activities of enemy agents’. He requested a ‘suitable officer’ be appointed to liaise with Lieutenant-Colonel Vernon Kell, head of the British Counter Espionage Bureau in London, on matters regarding wartime intelligence (NAA: A 3932, SC 298). Hughes appointed Major George Steward, Official Secretary to the Governor General, as the Australian intelligence liaison with Kell in London. The Australian Counter Espionage Bureau (Herein CEB) with Steward as its Director was established at Government House, Melbourne, shortly after on 14 January 1916 (Hughes Papers MS 1538, Series 21, Item 2).38

But there was no parliamentary discussion on the establishment of the Bureau and subsequently no parliamentary oversight was implemented. Moreover, Steward identified a crucial problem regarding the status of the Bureau: it had no formal Executive Council approval. It would remain institutionally invisible for another year.39

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38 Exact dates regarding the establishment of the CEB differ, for example, compare with NA: KV 1/15.

39 See: NAA: A 3932, SC 298 for Steward’s requests to have the Bureau approved by the Executive Council.
Modelled closely on its British equivalent the purpose of the CEB was to:

Undertake the widest possible interchange with the British Government of confidential intelligence, bearing especially upon the activities of hostile secret service agents throughout the Empire, both in time of war and peace.

(NAA: CP 46/2, 24)

Outlining the Bureau’s duties, Major Steward explained to his staff that the work of the CEB would comprise the prevention and detection of espionage, the control and examination of travellers passing through sea ports, the compilation and exchange of records with Britain and the indexing, filing, and custody of internal documents (Hughes Papers MS 1538, Series 21, Item 4).

The CEB initially focused on its stated responsibilities, concentrating on the activities of Japanese, German, and Austro-Hungarian enemy aliens and the surveillance of foreign agents in Australia (NA: KV 1/15). By late 1916, under the lead of the Hughes government the straightforward objectives of the CEB became clouded by the growing political debate about conscription (Hall 1978: 13). It was during this campaign that the CEB, along with Military Intelligence, began to change its focus. It started accumulating large amounts of information on the government’s newfound internal political enemies like industrial Trade Unions and its associated labour movements, Irish Nationals, and state and federal Labor parliamentarians.

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Surveillance and conscription

The issue of conscription, or compulsory overseas military service, during the First World War had absorbed the government of William Hughes in a bitter and divisive political conflict.\textsuperscript{40} The war had inflicted high casualty rates on the allied Imperial Forces, and the British Army Council requested from Hughes that the five Australian divisions in Europe be maintained at full strength (Hughes 1917:6). Yet, the policy of compulsory military service had not arisen out of an inadequate voluntary recruiting system. Sir Ernest Scott’s analysis of official war statistics shows that between August 1914 and December 1915 voluntary enlistment numbers steadily increased.\textsuperscript{41} It was only in early 1916 that the number of voluntary enlistments began to diminish. For Prime Minister Hughes, the dwindling number of volunteers was the result of the anti-conscription movements (Cain 2008: 10). Such dissent would need to be contained in order to answer the Empire’s call. A comprehensive examination of the surveillance conducted on all anti-conscription groups is beyond the scope of this chapter, however, the following discussion focuses on cases apposite to the subject of politicized intelligence.

\textsuperscript{40} Compulsory military service within Australia had been introduced in 1911 for all men aged 18 to 60. Hughes sought an amendment that would extend this requirement to include overseas service. See National Archives of Australia: Conscription referendums fact sheet: http://www.naa.gov.au/collection/fact-sheets/fs161.aspx

The first indication of the extent to which Hughes was prepared to use intelligence to fulfil his policy objectives and thwart the anti-conscription movement occurred shortly after he became Prime Minister. In November 1915, Adele Pankhurst and Cecilia Johns of the No Conscription Fellowship visited Brisbane in an effort to recruit new members for the Australian Peace Alliance and The Women's Peace Army. Military Intelligence and the CEB sent officers to make transcripts of their speeches and monitor their activities, while the censor's office prevented any publication of their lectures in the press. Director of Military Intelligence, Major Edmund Piesse, forwarded to Attorney General Hughes, all intelligence collected on the two women during their visit. The reports describe that the two women were singing anti-conscription songs and agitating against recruitment and the war. Indeed, some of Pankhurst and Johns' comments caught the ear of the censor, specifically a song titled 'I didn't raise my son to be a soldier' which had been recited during the meetings. An instruction was ordered in December 1915 that any printed verses of the song were strictly forbidden and any further recitation of it was prohibited. R. J. Ross, who had printed lyrics of the song, was ordered to hand over all copies to Military Intelligence for destruction (NAA: BP 4/1, 66/4/605).

On 13 January 1916, Hughes issued an order for Military Intelligence to search the premises of the No Conscription Fellowship in Melbourne with a view to ascertaining its relationship with the Victorian Socialist Party and seizing any anti-conscription material. Minutes from Socialist Party meetings and a list of financial contributors were found along with a variety of anti-conscription pamphlets. This material was submitted to Hughes with a recommendation from
Harold Jones of Military Intelligence that ‘the leading exponents of the propaganda’ be prosecuted under the War Precautions Act (NAA: B 741, V/3426).

Shortly after, future Prime Minister John Curtin authored a pamphlet titled: ‘The Australian Trades Union Anti-Conscription Congress Manifesto Number 2’, which stated that conscription was a ‘despotic and unlawful act’ that did not have the ‘sanction of parliament’ and was ‘in open defiance of the law’. The manifesto was distributed to 100 000 members and ‘called upon trades unionists of the Commonwealth' to hold ‘simultaneous stop work meetings for 24 hours duration’ in protest of conscription (Curtin Papers, Item: JCPML 00398/7).42 Minister for Defence, George Pearce, ordered the censor to ‘prevent circulation and publication of the Manifesto’ (NAA: MP 390/8, 1916, Vol. 2). He then authorised Military Intelligence to raid the Union’s premises and seize the Manifesto along with all anti-conscription material. Several affiliated trade unions condemned the raids as unlawful and demanded Pearce’s resignation (The Argus 10 August 1916: 6).

Director of Military Intelligence, Edmund Piesse, sought recourse to Crown Solicitor, Gordon H. Castle, to obtain his opinion regarding the legality of the pamphlets and the possibility of prosecution. Castle reported that under a new regulation recently added to the War Precautions Act — section 28 AA of the

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42 Copies of the Manifesto can be found in two locations (1) in Australian Archive File: MP 401/1, CL355 along with material on the prosecution of Anderson and Holland, and (2) the electronic research archives of the John Curtin Memorial Library, Curtin University, Perth, Western Australia. See: [http://espace.library.curtin.edu.au/R?f喃c=dbin-jump-full&local_base=era01jcпml&object_id=85475](http://espace.library.curtin.edu.au/R?f喃c=dbin-jump-full&local_base=era01jcпml&object_id=85475)
War Precautions Regulations — there was enough evidence to prosecute the printer and the person procuring the printing because the pamphlets had not been submitted to the censor before publication. Pearce then endorsed the prosecution and subsequently, Norman Anderson, and Frederick Holland were charged for an offence against Regulation 28 AA and issued a substantial fine (NAA: MP 16/1, 1915/3/1790 A).

These initial raids on the anti-conscription movement were indicative of the extent to which, the work of the intelligence community had become conflated with the partisan politics of the Hughes government. For example, the anti and pro-conscriptionist movements received completely different treatment by the government and security services. Pamphlets distributed by the pro-conscription campaign, no matter how deceptive or divisive, were never subjected to censorship (Meaney 2009:220). In contrast, the activities of the anti-conscription movement were on most occasions under surveillance, their literature and pamphlets seized and destroyed, and their mail intercepted and censored (Oliver 1990: 61). This double standard continued throughout the campaign and the intelligence services were directed to pursue the government’s partisan interests and suppress its political enemies.

During the latter half of 1916, members of the Industrial Workers of the World (Herein IWW) a Marxist inspired organisation created in the United States and established in Australia since 1907 became the focus of the intelligence

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43 Pearce approved the inclusion of Section 28 AA to the War Precautions Act only four days after the raids took place, see: The Argus 10 August 1916: 6.
several members were implicated on a number of charges ranging from sedition, forgery and arson, to infiltrating the military (Cain 1983:10–11). Shortly after in August 1916, four men were charged in Sydney with printing and distributing £25,000 worth of high quality forged £5 pound notes. Three of the men were directly connected to the IWW and committed to stand trial. They were later convicted and sentenced to between three to seven years in prison (Turner 1965: 124–5).

In the same week, IWW premises in Sydney were raided and a large quantity of alleged seditious material seized. Four men were arrested on charges of treason. As the *Sydney Morning Herald* noted the charges read that the men ‘feloniously and wickedly did compass, imagine, invent, devise or intend to levy war against the King within his Majesty’s dominions’ (*Sydney Morning Herald* September 25, 1916: 10). In the next two weeks, eight men with connections to the IWW were arrested in Sydney on the same charges (Turner 1965: 124–5). These events tended to justify Hughes’ suspicions that the IWW was engaged in a conspiracy against the government.

In September 1916, a series of fires had engulfed business premises around Sydney. The setting of these fires was linked to twelve members of the IWW. The ‘twelve’ — as the group became known — were brought before the Central Criminal Court on 20 November 1916 on ‘three counts of conspiracy: conspiracy to commit arson, conspiracy to defeat the ends of justice and seditious conspiracy’ (Rushton 1973: 54). The trial itself was a highly political event. The King’s Counsel, Ernest Lamb, reminded the jury from the outset that
'while Mr Hughes was illuminating the minds of patriots, the blazing co-operative building was illuminating the skies over Sydney'. As the prosecution argued, 'these twelve men had conspired to burn down Sydney'. The Judge, Justice Robert Pring, was hardly impartial and held a similar view. He described the IWW during the trial as 'an organisation of criminals of the very worst type, and a hot bed of crime'; he was overheard in his chambers alarmed about the 'coming revolution' (Brookes Papers MS 1924, Series 17, Item 116). The counsel for the defence during the trial had to withdraw from the case because he had been appointed Minister for Public Instruction in the New South Wales government (Turner 1965: 127). Not surprisingly, the jury found all twelve men guilty and they were sentenced to terms of five, ten and fifteen years hard labour. 44 The charges of treason, which consequently carried a possible death penalty, were downgraded to seditious conspiracy and conspiracy to commit arson (Rushton 1973: 54).

This historical evidence suggests that these early attempts to immobilise the anti-conscription movement were driven by the policy interests of the Hughes government, and consequently the intelligence services responded by collecting information that would be of greatest value to promote these interests. By October 1916, archival documents show that Military Intelligence, the Censors Office, and the CEB began to accrue information that would vindicate Hughes' policy choices. For example, they began intercepting mail and compiling

44 A Royal Commission conducted by Justice, Norman Kirkwood Ewing, in June 1920 found that six of the men had been wrongfully convicted. Subsequently, on 3 August the New South Wales Cabinet recommended that ten of the men be immediately released. For a detailed account of the trial see: Turner, I (1967) Sydney's Burning, pp. 228–231.
dossiers on prominent members of the IWW establishing their connections with anti-conscription groups like the No Conscription Fellowship and the Labor Party (NAA: MP 95/1, 20/9/1916 to 18/4/1017; MP 95/1, 15/12/1916 to 15/2/1917; MP 16/1, 1915/3/1790 A).

Hughes had the political acumen to know that intelligence could be a persuasive public relations device and he used it to discredit his opponents. He began using the seized material to persuade the public that the IWW and the Labor Party were collaborating to destroy the success of the conscription policy. When the intelligence services raided the homes of the IWW men, letters from a prominent Labor politician were found in their possession. Hughes began reading the letters aloud at his campaign meetings to substantiate his argument that Labor was under the influence of the IWW (Turner 1967: 47). To an audience in Hobart on 12 October 1916, Hughes gleefully quoted one of the seized letters written by Labor politician Frank Anstey to Tom Barker, a notorious member of the IWW that had been convicted on numerous occasions for breaches of the War Precautions Act.45 It read in part: ‘My Dear Barker, I am with you to the hilt. I wish you could send me a copy of those [anti-conscription] posters. Good luck to you’. According to Hughes, the letter showed that members of the Labor Party were in a close relationship with the IWW and both were intent on sabotaging the government’s policy (The Age 13 October 1916: 6).

45 On 31 May 1917, Major Steward of the SIB asked Sydney Police to collect any information on Barker in order to prosecute him under the Unlawful Association Act. Steward said that if Barker could be prosecuted he would then have no trouble arranging for his deportation, because he was not born in Australia. On 31 August 1917, Barker was charged with being a member of an unlawful association and sentenced to six months imprisonment. On 9 July 1918, along with five other men, Barker was deported to Chile (NAA: A 6126, 70).
Speaking in Bendigo on 17 October, Hughes adopted the same tactic. On this occasion, he read a letter seized by the CEB that was penned by activist Adela Pankhurst to Tom Barker of the IWW. In the letter, Pankhurst admitted that the IWW had ‘forced the Labor Party into the anti-conscription camp’.46 Hughes proceeded to rely upon the letter as evidence that the IWW was ‘a gang of criminals that had led the Labor Party into a fight against conscription’ (The Argus 18 October 1916: 9–10). For Hughes the letters perhaps served as a clear indication of the type of characters the Labor Party was associating with. Forgery, arson, sabotage and treason underpinned the ideology of the IWW, and Hughes used information seized by the intelligence services to link the Labor Party to the same allegations. The raids conducted by the intelligence services had returned to Hughes a wealth of political capital, the problem however, is that Hughes was relying on intelligence to vindicate and defend his policy.

Although Hughes had no scruples about pursuing this tactic, evidence suggests he was aware that if such behaviour became public knowledge it would damage the standing of the government. Measures were put into place to cover-up the government’s improprieties. For instance on 17 October 1916, under the War Precautions Act, the CEB in collaboration with police were instructed to conduct raids on IWW premises across Melbourne, Sydney, and Perth (Cain 1983: 13). Major Steward ordered that the homes and clubrooms of IWW members were to be raided in order to locate ‘treasonable literature and

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46 Adela Pankhurst was jailed on numerous occasions and on a variety of charges under the War Precautions Act for her outspoken views on Hughes and conscription. See: NAA: A 456, W 26/148/239 Part 1 and 2.
correspondence’ but also to look for material that may identify the sources from which the IWW were receiving funds (NAA: B 741, V /237; V /266; V /291). Meanwhile, the government worked behind the scenes to conceal its involvement in the raids. On the same day as the raids, the Censors Office was instructed ‘to be particularly careful to prevent publication of any reports of searches of IWW premises or persons’ in the press (NAA: MP 390/8, 1916, Vol. 2). The reason for the operation and the prevention of any publicity regarding it is fairly clear: it was not only an attempt to muzzle an opposition group but also a means of using the Censor’s Office to conceal the government’s involvement in the operations.

The government and the intelligence services continued to act in concert. On Steward’s advice, Hughes introduced the *Unlawful Association Act 1916* (Cwlth) in order to make the IWW a prohibited organisation (Meaney 1979:21). Collectively, the *War Precautions Act 1914* and the *Unlawful Associations Act 1916* provided the CEB with a wide range of powers to further monitor and suppress political dissent. As historian Frank Cain points out this was the first instance in Australian history where a political organisation had been officially prohibited (Cain 1983: 21). The effect this legislation had on the intelligence services was significant because it diverted their activities toward a political end. Rather than producing neutral advice to help inform national security policy, the intelligence services produced political capital to help Hughes achieve a predetermined political objective. Most notably, the Counter Espionage Bureau had changed from an organisation designed to uncover foreign espionage in
protection of the Empire, to one that directly served the domestic political interests of the Prime Minister and his policy agenda.

Secret intelligence was used against almost anyone that opposed the government’s position, including Hughes’ own Labor Party colleagues. For example, Thomas J. Ryan, the Labor Premier of Queensland, had actively fought Hughes against conscription and censorship. This aroused a deep distrust of the Ryan government that also manifest in the intelligence services. Ryan was subsequently labelled a subversive and placed under surveillance (Meaney 1979: 21). Under Hughes’ instruction, Military Intelligence devoted significant attention to Ryan in order to determine where his political loyalties lay. In delivering a dossier titled ‘the real facts concerning Hon. T. J. Ryan’ the partisan objectives of the intelligence service become quite clear. ‘It may be hard to believe the content of the attached dossier are true’ the introduction to the report stated. ‘While Mr Ryan has cunningly refrained from making disloyal statements he must be judged by the company he keeps. There is very little doubt’ the dossier states that ‘the Queensland Labor Party, through its Executive contains a very important disloyal section with which the Premier has continually associated for a period of nine years, and from which he has accepted dictation’ (NAA: B 197, 2021/1/270).

The details contained in the dossiers prepared by the Military Intelligence show the amount of surveillance conducted on Queensland Labor politicians throughout 1916–17. Indeed, the assessments produced by Military Intelligence underpinned the government’s belief that Queensland had become a refuge for
IWW members retreating from other states (Cain 1983:22). One assessment noted Premier Ryan's attitude toward conscription from every public utterance he had made since he entered politics in 1903. Every Queensland politician's association with the IWW, Peace Movements, and the Anti-Conscription League were listed in meticulous detail. The report made clear its assessment of the labour movement in Queensland stating that 'During the conscription campaign the Queensland labour movement showed a distinctly friendly feeling towards the IWW and anti-conscription' (NAA: B 197, 2021/1/270). Because Ryan had opposed Hughes’ policy of conscription he was touted as disloyal, subjected to political surveillance, and deemed a risk to Australian national security. Subsequently, Ryan, and the Queensland Treasurer, E. G. Theodore, were later charged with conspiracy when they tried to distribute a pamphlet titled ‘Conscription the Death of Unionism’ and printed in the official Hansard matters related to the War without the permission of the government censor (NAA: A 456, W 26/217).

But the political use of intelligence to stifle opposition on conscription had limited success. On 28 October 1916, conscription was defeated at the polls by a small margin.\footnote{The official result for the first plebiscite was: 1 087 557 (48.39 \%) for, and, 1 160 033 (51.61 \%) against. \textit{Handbook of the 42 Parliament}, Part 5, Referendums and Plebiscites: 410.} The political cost of the campaign was high and Hughes took the defeat badly. He blamed his detractors, in their various forms, for the result. Hughes confided in a letter to, Andrew Bonar Law, Secretary of State for the Colonies that 'I am sorry we did not win. We should have done so in spite of the official labour organisations being against us, but the selfish vote, the shirker
vote, and the Irish vote were too much for us’ (Bonar Law Papers M 1123, Box 53, Folder 4, Item 15). The bitterness brought about by the conscription campaign fractured the Labor Party into two opposing segments: those who had supported conscription and those who had not. Four government Ministers resigned from office and on 13 November 1916 Hughes and his fellow conscriptionists were expelled from the Labor government. Defiant, Hughes and a loyal cohort establish the Nationalist Party, or what they referred to as the ‘Win the War administration’ (Meaney 2009: 183).

The expulsion of Hughes and his fellow conscriptionists only served to confirm their suspicions that the Left were now under the control of subversive factions. ‘The Junta’, as Hughes told the Sydney Morning Herald, had ‘written its own epitaph’. He added that words of indignation and protest were inadequate to describe the actions of the Labor Party in expelling members who supported conscription (Sydney Morning Herald December 7 1916: 6). On 5 May 1917, the new Nationalist Party was elected to form government with Hughes as Prime Minister and Attorney General. Given the ‘Win the War’ platform the Nationalist Party had committed to it was perhaps inevitable that the government would again pursue a policy of conscription. Under mounting pressure from within his own party, Hughes planned another referendum on the issue that took place on 20 December 1917 (Meaney 2009: 219). In turn, Hughes continued to employ the intelligence services to control any opposition.
Referendum two: extended legislation and extended surveillance

Hughes’ new electoral success provided him with the opportunity to expand the scope of his political surveillance machinery and the tasks it performed (Cain 1983: 19). Any professional distance between intelligence and politics evaporated. On 2 February 1917, Major Steward of the CEB wrote to the Prime Minister stating ‘I understand that in the future I shall look to you for direction’ (NAA: A 3932, SC 298). The institutional boundaries between intelligence and policy-making became increasingly blurred and a direct and personal relationship between Steward and Hughes solidified. In the same letter, Steward complained that the Bureau had suffered from understaffing. He requested further resources be provided which could help expand the efficacy of the Bureau. Steward offered several new suggestions that would help the CEB in their activities to which Hughes and the government complied (NAA: A 3932, SC 298).

The full ambit of the Bureau’s new requirements was established in a series of Executive Minutes beginning on 12 February 1917 (NAA: A 1573, 1917/17). In addition to its counter espionage function, the Bureau was now given the responsibility of investigating cases of sedition. To achieve these new objectives the administrative reach of the Bureau was also extended and several new branches were established in each state (NAA: MP 1049/1, 1916/014). On 15 February, Steward recommended, Harold Edward Jones, of Military Intelligence be appointed as the Bureau’s Assistant Director along with R. J. L. Conrad as Special Duty Officer. By 29 October, Hughes had approved the appointment of several additional staff to the Bureau and a number of new
special agents were attached in each state (NAA: A 1573, 1917/17). As Director, Steward was granted an additional allowance to his salary of £ 200 per year to which he noted ‘I can only say that in my opinion, it is money well spent’ (NAA: A 3932, SC 298). Accompanying these administrative changes, and upon direct instructions from London, Major Steward informed Senator Pearce that the Bureau would be renamed:

In receipt of secret information from Imperial authorities that on and after this date [23 January 1917] our branch of the organisation will be known as “Australia S.I.B” (Special Intelligence Bureau).

(Hughes Papers MS 1538, Series 21, Item 64)

The government moved to further expand its security legislation by prohibiting any personal association with alleged disloyal groups. In parliament on 18 July 1917, Hughes ‘declared war’ on the IWW. He moved a motion to introduce a Bill that would amend the Unlawful Associations Act 1916 that would enable the government to ‘deal’ more effectively with the IWW. The Bill was passed in the Senate one week later (House of Representatives 18 July 1917: 232; House of Representatives 26 July 1917: 24). The new amendment gave the government considerable power to declare anyone who continued to be a member of an unlawful association guilty of an offence and anyone who printed material on behalf of a proscribed association was subject to six-months imprisonment. The Act further added that any person convicted of such an offence that is not a natural born Australian was now subject to deportation (Unlawful Associations Act 1916–17: Section 3 a).
But the amended legislation also furnished the intelligence services with additional sweeping powers, ones that involved detention and deportation. The Bureau could now seize the property of organisations that were deemed unlawful, charge and imprison their members, and confiscate any material that dissented against the government’s position. In addition, the collection of evidence, and more significantly the arrangement for deportation of those in question, became a function of intelligence. The CEB effortlessly adopted its new role, and in this sense, law enforcement became an intelligence function (Cain 1979: 208). Accordingly, almost all forms of resistance to the war and the conscription policy now became illegal.

Just as Hughes employed the intelligence service to conduct surveillance on Queensland Premier J. T. Ryan during the first campaign, he now used the services to collect information on other members of the Labor Party critical of conscription. James Howard Catts, was one Labor member that drew such attention. Catts had joined the Labor Party in 1898, and in 1906, he was elected Labor Member for Cook in the House of Representatives — a seat he retained for another seventeen years (Catts 1953: xvi). In 1914, Catts was made Director of the Voluntary Recruitment where he raised more recruits than the government could manage. He complained to the government that men sat idle in the camps and were without the necessary uniforms, guns, tents and other requirements. Catts also advised Hughes that conscription was unnecessary and would be anathema to Australians who revelled in being a voluntary army (Catts 1953: 74).
But Catts had attracted the attention of the intelligence services. In 1916, the Attorney General’s department instructed, Harold Jones, of Military Intelligence to conduct an investigation into Catts. Allegations from the Anti-German League had suggested that Catts was actually a ‘German posing under an English name’ and that he was not a naturalised citizen and thereby subject to deportation. The League suggested that Catts had assumed a false identity and his real name was either ‘Katzenalbion’ or possibly ‘Kreitzling’ and that his parents were German immigrants. After a lengthy investigation, Jones later reported that the allegations against Catts were false and a case of mistaken identity (NAA: MP 16/1, 1917/60).

But this was not the only time the government had the intelligence services investigate Catts. On 15 January 1918, Catts moved a no confidence motion against the Hughes government in the House of Representatives. He delivered a scathing criticism of the government’s war policies accusing Hughes of lying to the Australian people, fabricating a story about an attack in Warwick, abusing censorship for partisan gain and rigging the election on conscription. Objection was taken to Catts remarks on the grounds that he was using his position in parliament to ‘help our enemies and injure our friends’ and that his conduct ‘amounts to a kind of treason’. The Speaker ruled Catts out of order and forbid him to proceed — but Catts persisted (House of Representatives 15 January 1918: 2958 – 2964).
On 18 January, Catts again scolded the Hughes government about their abuse of censorship. He informed parliament that when he held a meeting with his constituents to discuss the facts about conscription ‘I found that the government had two detectives present at the meeting in plain-clothes taking shorthand notes of every word I said’ (House of Representatives 18 January 1918: 3252). But such tactics did not intimidate Catts, and he was determined to make known the government’s improprieties. In late January, he ordered from the government printer 5000 copies of the speech he had been forbidden to finish in parliament on 15 January. The pamphlet titled ‘Labor and the War’, proceeded to attack the government and labelled Hughes a ‘would-be dictator’ who had ‘abused censorship in a most shockingly partisan manner’; had ‘manipulated the newspapers’, and had ‘polluted the ballot box’ on conscription (Catts Papers MS 658, Series 1, Folder 1). Catts intended to have the pamphlet tabled in parliament, but the government immediately intervened and stopped the printing of the speech.

On 27 February, Minister for Defence, George Pearce, wrote to the Director of Military Intelligence, Edmund Piesse, instructing him to send an intelligence officer to prevent any further printing of the speech and to ‘seize any copies of the pamphlet’. Lieutenant C. A. Lempriere, an intelligence officer of the 3rd Military District accompanied by Police Constable, Nicholas Rowe, entered Parliament House and seized five packages of the documents from the Labor Party chambers. All copies of the pamphlets were then destroyed (NAA: MP
Hughes then set about prosecuting Catts under the *War Precautions Act* for making statements likely to prejudice His Majesty’s relations with a foreign power and for not submitting the documents to the government censor for approval (*Argus* 4 April 1918: 9). Catts appeared before the Sydney City Court on 9 April 1918, but the Magistrate dismissed all charges (*Argus* 10 April 1918: 10). Nevertheless, Catts’ vocal opposition to conscription landed him in trouble on numerous other occasions. By the end of the war Catts was prosecuted seven times under the *War Precautions Act* because of his statements against the government and the policy of conscription (Catts 1953:77).

Although a significant expansion of security legislation had already provided the intelligence services with considerable power to stifle opposition, Hughes took measures further. In 1917, he reached out to commercial businesses imploring their loyalty to the state’s cause. The government had come to believe that money was being circulated to prop up anti-war groups for the purposes of ‘disaffecting the community during the war’ and agitating against the second conscription referenda. Despite a Special Intelligence Bureau (Herein SIB) report issued on 16 November 1917 stating that it had no evidence of such activity, Hughes issued a secret memo on 7 December 1917 to all banks operating in the Commonwealth asking them to assist the government in matters of security. Hughes stated that ‘It has been decided’ to:

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48 Two copies of the pamphlet still exist. One copy is located in the papers of James and Dorothy Catts MS 658, Series 1, Folder 1, at the Australian National Library and another is located in Australian Archives File: MP 16/1, 1917/60.
Request all banks carrying on business within the Commonwealth to (a) institute as completely as possible a systematic and secret observation upon all transactions, and (b) furnish a report of any case of suspicion to Sir Robert Garran Commonwealth Solicitor General, Melbourne.

(NAA: B 741, V/62 A)

This move drew private businesses into the government’s surveillance machinery. Banks were effectively used to monitor and suppress any financial assistance that might in any way help opposition groups and individuals influence the conscription campaign. Such information was then passed onto the government. But the effect of extending the security legislation not only started to blur the boundaries between public and private enterprise, it now encouraged companies to spy on their customers for the purpose of helping the government succeed with its policy ambitions.

The expansion of the government surveillance apparatus and security legislation into nearly every corner of Australian society provided Hughes with exceptional power to control political opposition to his policy aims. As Australian statesman, Herbert V. Evatt, later wrote with little exaggeration ‘Hughes himself was practicably able to govern Australia with a fountain pen’... his ‘position was almost that of a dictator’ (Evatt 1942: 368). Indeed, Hughes’ success in quashing opposition to his policy goals is evidenced by the rapid decline of the IWW. As Major Steward indicated in a letter to Frank Hall, assistant to Vernon Kell head of MI5, ‘we absolutely killed the IWW. Every one of its leaders is in gaol, mostly with from 10 to 15 years hard labour to serve. The few that are left are mortally scared. The IWW is a thing of the past’ (NAA: A 8911, 240).
It is likely that Hughes fully recognised the value that the intelligence services had provided in suppressing opposition to his policy goals and facilitating his political argument. In other words, politicising intelligence was part of a broader political strategy to promote conscription and persuade the public toward that position, but also to discredit opposition groups. This perhaps explains why Hughes pursued the same tactic during the second campaign. As a result, the foci of the intelligence services would again be directed toward anti-conscription groups, which Hughes blamed for the defeat of the first campaign. But their surveillance would now include dissident Irish Catholic groups, which Hughes suspected were cooperating with the IWW against the government’s policy agenda (Booker 1980: 215). In order to improve the prospect of success in the second campaign the intelligence services, following Hughes lead, would now attempt to limit their influence.

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Ecclesiastic antagonists: The deadliest enemies of Australia

Surveillance of ‘Irish agitators’, as Major Steward referred to them, had been established in Australia since November 1916 when the SIB began monitoring the activities of Jim Larkin of the Dublin Transport Union (NA: KV 1/16). But surveillance efforts were increased when the Central Bureau in London intercepted a letter indicating that Sinn Fein was now rapidly developing throughout Commonwealth countries (NAA: A 3932, SC 417). The writer of the intercepted letter appeared to have travelled to Australia the previous year and noted that he had made a number of contacts during his visit. Major Steward
informed Hughes that one of these contacts, Maurice Dalton, had now been placed under constant observation. The SIB traced Dalton's home address and started intercepting his mail. In one intercepted letter, Dalton outlined how members of the Irish National Association could obtain guns and weapons through his contacts in Sydney. The SIB avidly pursued these links. It uncovered further correspondence, which urged members of Irish groups in Australia to join forces in order to strengthen their status and influence against conscription. The letter noted that the organisation of the disparate Irish groups in Australia would not be possible without the aid of one of the most out spoken anti-conscription voices, Dr Daniel Mannix, the Coadjutor-Archbishop and later Archbishop of Melbourne (NAA: A 3932, SC 417).

Upon receiving this information, Major Steward wrote to Hughes on 3 November 1917 informing him that the SIB was ‘now in possession of actual evidence that the Sinn Fein movement is rapidly developing in Melbourne and Sydney’. Steward immediately initiated close surveillance of Irish associations. But in doing so, Steward became increasingly aligned with the government’s objectives and crossed over into acting as part of the government’s policy-making apparatus. For example, he urged the government to adopt a policy that would allow the SIB to conduct raids on all headquarters of the Irish National Association. 49 Steward then intimated to Hughes that he saw no reason why the

49 Steward made other policy recommendations. In May 1916, he recommended the compulsory registration of aliens throughout the Commonwealth, the tracking of their movements, and the submission of passports to the CIB (NA: KV: 1/15; KV 1/16). On 28 August 1917, he recommended that, ‘an amended regulation be passed, under which customs officers become a “proscribed authority” under the terms of the Unlawful Associations Act’ because customs officers had found shipping routes were being used to distribute large quantities of Direct Action, the official magazine produced by the IWW...
Irish National Association should not be deemed an unlawful association arguing that the subject matter contained in the letters clearly ‘points to treason’. One week later Steward suggested that Hughes could use the collected intelligence ‘to show the people how terribly sinister and far-reaching are the activities of these rebels’ (NAA: A 3932, SC 417). As a result, Steward’s assessments strongly inferred that Irish associations were now a threat to the conscription policy. This could be seen as a form of politicisation because Steward found a potential threat to the success of the government’s policy and recommended a course of action that incorporated and conformed to the government’s policy preferences. In doing so, Steward was providing intelligence support to the government’s policy of conscription.

His recommendation appears to have enjoyed some success. On 16 November 1917, Major Steward issued a secret memorandum to the various SIB state branches stating that the Sinn Fein organisation was deemed a serious political force in Australia. He then instructed his colleagues that all members and persons associated with the organisation should be keenly monitored. The memorandum concluded in alarming terms. Steward reminded his fellow officers that, ‘our work at this moment has cast very serious responsibilities upon us, and nothing short of a devoted and untiring attention to this difficult demand is required of us all’ (NAA: B 741, 62 A). In the midst of the second conscription campaign, Irish Catholic groups now became the government’s chief antagonist. They were consequently subjected to thorough scrutiny by the

Solicitor General, Sir Robert Garran, accepted the recommendation on 31 August 1917 (NAA: A 456, W 26/148/182).
intelligence services. The SIB, in cooperation with the state police forces, Military Intelligence, and the intelligence section of the Censors Office investigated these groups and their opposition to the government’s war policies.

Irish Nationalist groups in Australia had arisen in a number of different forms throughout the various states. The Hibernian Australasian Catholic Benefit Society, the Catholic Federation, the Irish National Association and the Young Ireland Society for example, attracted a substantial following but these groups lacked a single point of focus that could express their specific social and political concerns. In turn, these associations tended to look to the Clergy for direction. Archbishop, Dr Daniel Mannix, stepped in to this role with flair and became one of the leading forces rallying against compulsion.

To his supporters Mannix was regarded as a hero of the Irish cause and the anti-conscription movement, but more that he became a symbol of the right to vindicate free speech in an increasingly oppressive environment (Meaney 2009: 207–209). For Hughes and the pro-conscription element, the Archbishop’s interventions against conscription were almost indistinguishable from treason. Mannix was identified with everything anti-British and therein assumed the role of protagonist against conscription, which the IWW had occupied during the first referendum campaign (Fitzhardinge 1979: 286). His ‘disloyal utterances’ against conscription and criticism of the disenfranchisement of Australian Irish Catholics then became part of the supposed conspiracy to undermine the government’s political objectives.
On a number of occasions, Mannix spoke out about anti-conscription in Australia linking it with the Sinn Fein movement in Ireland. On 6 November 1917 he addressed an estimated audience of 100 000 anti-conscription demonstrators at the Richmond Racecourse in Melbourne. At this meeting, he said that ‘there is a faction here, as there was in Ireland, which for political purposes would be glad to stifle every opinion but their own’ (Argus 6 November 1917:6). A statement clearly directed at Hughes, censorship, and the continued suppression of political opposition to the government. But Mannix probably understood that as a leading figure of the Roman Catholic Church he was in a unique position. For the Catholic Church could hardly be deemed a subversive organisation and it would have been politically explosive for the government to charge an Archbishop with acts of seditious speech or subverting the war effort.

At Richmond, Mannix declared to the crowd that he knew ‘it would be said that he was seditious and disloyal’, but nevertheless he told them ‘you are Sinn Feiners and the more luck to you’. He asked them to consider when they voted on conscription to put ‘Australia first, Empire second. First, settle Ireland’s wrongs’ said the Archbishop ‘and then we will talk about going to the rescue of Belgium’. He continued his speech stating that ‘Australians as Sinn Feiners could sympathise with those in Ireland’ adding that ‘we were determined to wrest the government of the country from English hands’ (Argus 6 November 1917:6). Here Mannix cleverly played on the much-abused concept of loyalty.

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50 Approximate numbers are disputed. The Argus reported 60 000, Ebsworth (1977) and Meaney (2009) estimated crowds of up to 100 000.
In Warwick Queensland on 29 November, Hughes attempted to rebut Mannix’s statement by using a similar rhetorical argument. He implored the raucous crowd to ‘put Australia first, and if you do that’ he argued ‘you will be for Empire’. ‘Show that you are loyal to Australia and Empire...cast your vote in favour of the government’. Hughes then turned his attention to Mannix:

There is a man today who is the real front of offending, a man to whom every German in the country looks to, whom every Sinn Feiner looks to, whom every IWW man looks to who is the real leader of the opposition to the government’s proposals. His name is Mannix. If you follow him you range yourselves under the banner of the deadly enemies of Australia.

(Argus 30 November 1917:6)

The audience clearly did not appreciate Hughes’ statement. During his short appearance, he was pelted with abuse. Eggs were thrown at the Prime Minister and an ugly scene unfolded. Conscriptionists clashed with anti-conscriptionists. Scuffles broke out, and the Prime Minister caught up in the mêlée emerged from the hostile crowd bloodied and bruised. Hughes demanded the culprits be arrested. Senior Sargent Kenny, a Catholic member of the Queensland Police force, who was at the scene said he would arrest the men if Hughes would lay a charge under Queensland Law. Hughes responded that he was a representative of the Commonwealth whose laws superseded state laws. Kenny declared that he would only recognise the Laws of Queensland and not the Commonwealth. Shortly after the incident, Hughes wrote to the Premier of Queensland, T. J. Ryan, demanding Kenny’s suspension otherwise the Commonwealth would take steps to enforce its own laws. Ryan responded by arguing that Queensland was enforcing the laws of the Commonwealth and would continue to do so without interference by the federal government. Senior Sargent Kenny, on Ryan’s approval, was later exonerated and no punishment
was applied (Argus 30 November 1917: 6; Fitzhardinge 1979: 292; Booker 1980: 216).

The whole incident only reinforced Hughes’ belief that the Queensland government had become a sanctuary for the IWW and Irish dissidents who were under the protection of Premier Ryan and Dr Mannix. As Major Steward of the SIB later reflected, the Warwick incident confirmed to Hughes that the Queensland Police Force was incapable of ‘impartially discharging its duties’ (Hughes Papers MS 1538, Series 21, Item 96). Hughes believed that the situation in Queensland was one of ‘latent rebellion’, where under the influence of Ryan and Mannix ‘the IWW and Sinn Fein run the show’. He wrote to the Governor General Munro Ferguson that ‘[Queensland] police is honeycombed with Sinn Feiners and the IWW. They will not only not enforce our laws but openly resist them’ (Hughes in Fitzhardinge 1979: 294). Nevertheless, Hughes opportunistically capitalised on the events that unfolded in Warwick and he used the situation as a potent justification to extend the state security apparatus even further. In an Executive meeting attended only by Hughes and two other government officials (Senators Edward Millen and William Webster) he established the Commonwealth Police Force.

Major Steward, however, had originally suggested the idea for a Commonwealth Police Force in October 1916 to help support the work of the Counter Espionage Bureau but the Prime Minister had sidelined the idea. Various State Governments had also opposed such an agency arguing that they had always assisted the Commonwealth when requested. The West Australian and
New South Wales Police forces objected to the idea because they believed that the Commonwealth was creating small secret service units within their own departments. Other state police forces complained because as they suggested this would create ‘an unnecessary amount of work, interfere with efficiency and result in duplication of investigations’ (Hughes Papers MS 1538, Series 21, Items 108–109). But after the Warwick incident, Hughes now had a political and personal justification to establish a police force that could counter the situation in Queensland.

Without any further consultation with the State governments, Hughes made an executive decision to bring the Commonwealth Police into existence. The establishment of the Commonwealth Police, in the face of substantial opposition, is perhaps further evidence of the executive authority Hughes had in controlling matters of national security. As one historian has observed ‘at the stroke of a pen he was able to establish a Commonwealth Police Force without the least consideration to its manning, finances or legal authority’ (Cain 2008: 23). Hughes created yet another arm of government that would loyally serve his interests.

Throughout the second referendum campaign, Mannix continued to agitate the Irish Catholic community urging them to vote against conscription in the upcoming vote. Hughes and the SIB, in response, stepped up the surveillance (Meaney 2009: 224). Subsequently, an array of intelligence dossiers was prepared on Mannix and associated Irish groups. Archival documents show that the SIB had instructed the censor’s office to ‘scrutinize’ all correspondence
relating to Mannix and that a surveillance device had been placed on his private telephone. The same documents reveal that the SIB informed the Deputy Chief Censor to ‘report on the IWW, Pacifists or kindred spirits, members of the Irish Societies’ and ‘any persons who might be of interest to the Bureau’ (NAA: B 741, V/280).

A concerning aspect relating to the surveillance of the Irish groups was not the amount of surveillance conducted on them, but the extent to which the intelligence community had bent to Hughes’ political objectives, the pro-conscription cause, and anti-Irish views. For instance, one report prepared by the Perth Branch of SIB said that the ‘Young Ireland Society is a menace’. It recommended that steps be taken to ‘put it out of action before it becomes more audacious’ (NAA: A 8911, 221). Another SIB report dated 21 November 1917 stated that approximately 4000 Sinn Feiners in Western Australia intended to rebel if the conscription vote passed (Hughes Papers MS 1538, Series 21, Item 85). And by 6 December the SIB found evidence of links between Sinn Fein, Germany, and the Roman Catholic Church (NAA: A 8911, 221).

While the intelligence services were prepared to act and mount raids on a number of Irish associations loosely associated with Mannix, Hughes had some concerns about how to deal with him (NAA: A 3932, SC 417). Because Mannix was the representative of a major Christian Church, the government was sensitive as to what action they could take against him. Hughes understood that he could not deal with Mannix in the same manner that he had dealt with the IWW and the trade unions (Meaney 2009: 222). For example, to arrest and
prosecute Mannix would not be inconsequential for Hughes or the government; it would only damage the success of the conscription campaign at the next ballot. But such reservations about suppressing Mannix caused a significant reaction from within the SIB. As Major Steward complained:

That Mannix should have been allowed to act as he did during the referendum campaign without being stopped by the authorities will constitute for one of the most inexplicable things with which I have, or ever shall, come in contact.

(NAA: A 8911, 240)

Hughes had indeed contemplated deporting Mannix, but he ultimately decided against the move. Instead, Hughes pursued another course of action. The Prime Minister called on the British government to appeal to the Vatican in the hope that they could exercise some control over their Archbishop. Walter H. Long, Secretary of State for the Colonies in London, wrote to Count de Salis, Britain’s representative in Rome, asking that he bring this matter to the attention of the Cardinal Secretary of State at the Vatican. Long suggested that de Salis should inform the Secretary that:

Dr Mannix is the subject of strong suspicion to the Commonwealth Government...and decidedly unpopular in Australia. Dr Mannix has adopted an anti-British attitude and you should express the hope that the Vatican may find it possible to take some action, which will induce the Archbishop to moderate his utterances. Otherwise the Government of the Commonwealth may find it necessary to take action against him.

(NAA: A 1606, F 42/1 Attachment 1)

But by the time the matter had been dealt with by Roman Catholic Church, the referendum had already been decided. On 20 December 1917, the second referendum on compulsory military enlistment was defeated with a resounding
no by a majority that exceeded the first vote in 1916. Hughes and the government knew exactly who to blame for the failed campaign, namely those disloyal and subversive antagonists such as Mannix.

A letter penned by Major Steward to Frank Hall of MI5, shows the contempt Steward held toward Mannix. The letter also provides a glimpse into how politically aligned Steward and the intelligence services had become with Hughes’ own policy objectives. ‘As a personal opinion, also an official opinion’ Steward explained to Hall ‘I may say at once that I attribute the defeat almost entirely to the Roman Catholic element resident in this country; in particular do I attach the greatest blame to Dr Mannix’. In Steward’s opinion Mannix was ‘an absolute rebel’ and a most difficult obstacle for the government to overcome. Mannix was ‘clever and cunning’ Steward opined, but nevertheless was an ‘untrustworthy’ man who exerted an incredible influence over Irish Catholic voters. As Steward surmised to Hall ‘the result on the referendum was undoubtedly lost because of the ‘Roman Catholic hostile vote’, which was most ‘cleverly organised and forcefully applied through Dr Mannix’ (NAA: A 8911, 240, Author’s emphasis).

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51 The result of the second referenda held on 20 December 1917 was: 1 015 595 (46.2%) for, and 1 181 796 (53.7%) against. See: Handbook of the 42nd Parliament, Part 5, Referendums and Plebiscites: 411.
Severing the ties that bind

There is compelling evidence that the partisan political activities of the intelligence services during both referenda campaigns did not go unnoticed (NA: KV 1/15). For example, Governor General, Ronald Munro Ferguson, was concerned about how intelligence had been used by Hughes to suppress opposition. He was also concerned about the relationship that had formed between the two men. In April 1917, Munro Ferguson decided that Steward had become too politically aligned with Hughes. Writing to Walter Long, Munro Ferguson expressed objections to the relationship because Steward had been ‘accustomed to act virtually as the Prime Minister’s secretary’ adding that Steward was inclined to act as the Prime Minister’s ‘secret agent’ (Long Papers\(^52\) M 1114, Section 947/625, Item 96).\(^53\) He considered that control of the SIB might need to be taken out of Steward’s hands and his relationship to the Governor General severed. Munro Ferguson feared that if the government’s abuse of the intelligence services became known the impartiality of the Governor General and the neutrality of the Crown would be severely undermined (Novar Papers MS 696, Series 4, Item 904).

But it was not until 28 September 1917, that Munro Ferguson decided to act. He wrote to Hughes suggesting that ‘he [Steward] should be relieved from Counter Espionage’. Munro Ferguson stated that the SIB had ‘gone beyond the original purpose of drawing together confidential and secret information relating

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\(^52\) Documents in the Long Papers are not clearly referenced. In order to identify each document cited, herein, the date of each correspondence is included in a footnote citation.

\(^53\) Munro Ferguson to Long, letter dated 31 March 1918.
to enemy agents’. But he told Hughes that Steward had been overworked and underpaid rather than the truth of his thought that Steward had become too aligned with the government’s view. ‘The continuance of his work, in my opinion’ Ferguson explained ‘over-burdens him. His other duties being far too heavy to admit his doing justice to his work- despite unremitting devotion to his duties’ (NAA: A 3932, SC 435).

Munro Ferguson, however, had expressed his concerns in much clearer terms to the British Colonial Secretary, Andrew Bonar Law. Regarding the conduct of Major Steward, he wrote that his behaviour ‘has sometime caused me uneasiness’. He went on to explain that:

My very able Official Secretary, Major Steward, has gradually become the head of the secret service. He has been engaged in unravelling of the schemes of the IWW and following the doings of various malefactors of this type... My “pet” name for him is “Pickle the Spy!” In the course of this business, Detectives, Informers and such like persons attend at his office, which is situated in Government House, and I cannot say that I view the unavoidable consequence of his work with complacency... A good many of his secret investigations, from which M.P.’s do not escape! are undertaken under the direct instructions of the P.M. or the M. for D. The P.M. is in constant touch with him and extends to him a greater measure of confidence that to anyone else.

(Novar Papers, MS 696, Series 4, Items 901, 902, 903)

Munro Ferguson informed Bonar Law that as a result of Major Steward’s conduct ‘he has enemies, one of the strongest is Sir G. Strickland, who has a secret service of his own’ (Novar Papers MS 696, Series 4, Items 903–904). In light of the Governor General’s misgivings, he instructed Hughes to remove Steward as the Director of the SIB and to find new premises from which the SIB could operate.
On 13 December 1917, only days before the conscription vote, Harold Edward Jones, was promoted to replace Steward as Director of the Bureau. Munro Ferguson later informed the Secretary of State for the Colonies that ‘I have put an end to Sir George Steward’s official connection with the secret service by Minute to the Prime Minister’ (Long Papers M 1114, Section 947/625, Item 96).\(^5^4\) However, as Steward held the code to the official Colonial cypher it was arranged that he could remain in Bureau for the sole purposes of coding and decoding messages between Australia and London (NA: KV 1/15).

But Steward continued to function in a semi-official capacity and his influence on the Bureau’s activities would continue unabated (NA: KV 1/15). Although he had been officially relieved from his post, he tenaciously continued to pursue his foes and assist the Prime Minister. In March 1918, Steward was caught passing secret information to Hughes that would help suppress an upcoming demonstration by Sinn Fein. When two detectives called on the Governor General’s office, to collect a letter sent by Steward through official channels, Munro Ferguson became aware that Steward’s ‘severance from these duties was not as complete as I was assured it was to be’. The Governor General called the matter to the Prime Ministers attention but Hughes assured him that he new nothing of the situation. When asked to explain his involvement in the matter Steward replied that he merely ‘consulted’ with SIB Director Harold Jones on the issue. Unimpressed Munro Ferguson declared ‘I have now ruled that

\(^{54}\) Munro Ferguson to Long, letter dated 31 March 1918.
“consultation” must also cease’ (Long Papers M 1114, Section 947/625, Item 96).55

Authorities in London were also concerned about the situation. ‘Do you understand’ wrote Secretary of State Walter Long in a message to Munro Ferguson that ‘Letters continue to be received from the SIB signed in Steward’s name’ (Long Papers M 1114 Section 947/627, Item 98).56 Puzzled by the state of affairs in the Bureau, Frank Hall, of MI5 cabled the Colonial Office stating that ‘I am afraid we are still in the dark as to how the organisation is being run and who is actually in charge’ (Long Papers M 1114 Section 947/627, Item 99).57 It was Steward’s health that would be the only thing to detract him from his unrelenting commitment to his work. After a bout of spinal neuritis, Steward stepped back from his duties and was forced to take a vacation in Hawaii (Cain 1983: 35). That Steward would not give up his duties willingly and continued to help the prime minister after his recuperation is further evidence by his role in shaping the wider Australian intelligence community. Most specifically in matters regarding the establishment of the ‘Citizens Bureau of Intelligence and Propaganda’ otherwise known as the Australian Protective League (NAA: B 197, 1851/2/43).

55 Munro Ferguson to Long, letter dated 31 March 1918.

56 Long to Munro Ferguson, cypher telegram dated 6 August 1918.

57 Frank Hall to H. F. Batterbee, letter dated 14 August 1918.
Putting private eyes to public use: The Australian Protective League

By the end of the second referendum campaign, it was clear that the activities of the intelligence services had become conflated with the political objectives of the Hughes government. Organisations such as the SIB and Military Intelligence had strayed from uncovering foreign espionage and protecting military secrets to that of destroying any political opposition to the government and discrediting the standing of the anti-conscription movement. Although the ties were severed between Steward and Hughes, the government and the intelligence services remained tied through the common bond of loyalty to the cause.

Due to the success enjoyed by anti-conscription figures such as Mannix and Ryan, radical trade unions and the IWW, Hughes and his supporters closed ranks against these alleged conspirators. They sought recourse to alternative measures that could counter ongoing disloyalty and suppress political opposition. If the surveillance apparatus of the state were not strong enough to suppress these groups then the government would call upon its loyal citizens to create an alternative organisation to solve the problem. Hughes and the government set about establishing a private intelligence bureau, which would marshal the resources of the community in order to inflict retribution on those disloyal elements. Intelligence was essentially outsourced. The private eyes of the community were set to public use.
One of the most overlooked forms of politicisation, according to Olav Riste, is the politically motivated creation of intelligence bodies independent and external to the usual state security apparatus (Riste 2009: 181). The specific purpose of these ‘alternative networks’, Scott Lucas, suggests is often to provide the right intelligence to the right policy official, and as, Maria Ryan, argues to find the right data to support that policy (Lucas 2011:207; Ryan 2006: 287). This appears to have been the purpose of the Australian Protective League (Herein APL) an organisation whose board was stacked with a coterie of private citizens drawn from either Protestant, pro-conscription or assorted loyalty associations, and predisposed to achieving the government’s war aims. The Hughes government’s use of outsourcing its intelligence machinery may not at first glance appear as a case of politicisation. But a closer examination of the League’s composition and its intentions reveals specific characteristics that exemplify why the League can be understood as politically contaminated or politicised.

First, the League was a politically motivated private intelligence collection body operating outside of the usual parliamentary regulations and oversight mechanisms. It was not subject to scrutiny or oversight by a responsible minister through parliament and was not subject to any legislative guidelines for its conduct. But also, the League was never intended to investigate anything other than the disloyal behaviour of groups and individuals who opposed the government’s policy. The League was a voluntary citizens force, which acted in

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an auxiliary capacity to supplement the SIB by providing ‘prompt and reliable reports of all disloyal or hostile activities’ within the Commonwealth to the intelligence services (Brookes Papers MS 1924, Series 17, Item 9). The founders of the League had hoped that it would be the ‘nation’s premier anti-radical force’ — an association secretly sanctioned by the government but implemented by loyal citizens that were responsible to no higher authority (Fisher 2011: 142).

An essential feature of the League was that its members believed disloyal agitators were undermining the war effort. This disturbing trend was to be countered by the League whose purpose was to unearth evidence of subversive individuals and groups, monitor their activities, and provide the government with evidence to prosecute them. It appears that the sole purpose of the League was not to better inform the government on policy development, but rather to provide the government with the necessary information that would help rationalise, promote and strengthen its own policy position. In this sense, the intelligence collected by the League could only result in a forgone conclusion: that of reaffirming the government’s belief in a link between Irish Nationals, unions, and the Labor Party and that of disloyalty and subversion toward the war effort.

Another characteristic demonstrating why the League can be considered politicised is the stacking of the League’s board and staff with sympathetic or like-minded figures. This process ensured that the intelligence produced would inevitably satisfy the government’s policy agenda. This form of politicisation is
commonly referred to in the literature as ‘politicisation by appointment’ (Mulgan 2007: 571; Rovner 2013: 58).

The events surrounding the establishment of the League are perhaps further evidence of the highly politicised environment created by the government over loyalty to the state and issues of social control. As Meaney argues the League ‘tested the full meaning of nationalism...one half of the country with the backing of the state was to be set against the other’. Citizens were implored to spy on each other, ‘businesses on their clients, employers on their employees and neighbours on neighbours’ all for the purpose of supporting the government’s aims and suppressing political opposition (Meaney 2009: 236). Australian authorities had no reservations about creating an extra-bureaucratic intelligence mechanism to achieve these goals.

The idea for the creation of the APL had been instigated in 1917. Former Australian Intelligence Corps officer, Robert Charles Dunlop Elliot, — under Hughes’ instructions — was seconded to the United States as a representative of the Australian Defence Department. Hughes arranged for Elliot to be introduced and meet with members of the ‘Citizens Section of the United States Secret Service’ in Washington D.C. to inquire into the activities and organisational structure of the American League (NAA: B 197, 1851/2/43). Elliot was greatly impressed with the League and how it operated, the quality of its staff, and the

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59 Nick Fisher suggests that this reflects Elliot and Hughes’ limited understanding of the bureaucratic structure of the American intelligence services because there was no United States Secret Service at this time. Although there is confusion as to which intelligence service the reference refers to, it is possible Elliot was seconded to the United States, Department of Justice, Bureau of Investigation, the forerunner of the FBI, which was established on 1908. See Fisher, N (2001) ‘The Savage Within’, p. 351 – 53.
League's own self-governing ‘internal probity structures and procedures’. So impressed was Elliot with the American League that he described it as being responsible for the ‘quietness of the German and Irish sympathizers of the Central powers’ (NAA: B 197, 1851/2/43). Upon his return to Australia, Elliot submitted a proposal to George Pearce, Minister for Defence, for the establishment of an Australian organisation based on the same principles of the American Protection League.

Elliot’s report was, however, somewhat politicised as well. Elliot had selectively chosen information that would support the founding of the League and present it in a flattering light. But he neglected to report on the negative aspects of the American League. For instance, Elliot did not mention the endemic corruption that had plagued the League since its inception. Nor did he inform Minister Pearce of the problems regarding discipline, political intrigue, and ineptitude that occurred on a regular basis (Moore 1989: 23). Based on Elliot’s sugar-coated report, Cabinet referred the matter for consideration to Australia’s supreme defence planning body, the Council of Defence. On 1 May 1918, the Council of Defence evaluated Elliot’s report and contemplated the ‘Formation of an Australian Protective League along the same line as the American Protective League’ (NAA: A 9787, 2).

At this meeting Acting Prime Minister Watt⁶⁰ informed the Council that the League would deal in matters of intelligence regarding those of a ‘Naval, military and political nature’ (NAA: A 9787, 2). Captain Thring, Director of Naval

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⁶⁰ Hughes was attending the Imperial War Conference in London.
Intelligence, informed the Council that the navy would welcome the development of such an organisation and he was anxious to get the scheme into operation. Thring suggested that doctors and bankers could be enlisted to report on the activities of people in all districts. The Council agreed, and it was decided that Acting Prime Minister Watt would arrange to invite a number of leading businessmen to meet with him later in the month to discuss establishing the League.

Perhaps, most importantly in terms of politicisation and the League’s partisan intentions, was the recruitment of community members who were closely aligned with the government’s stance on the war. On 29 May 1918, Watt met with a range of business leaders including academics, bankers, doctors, engineers, solicitors, insurance providers and city aldermen urging them to join the government’s new citizens bureau of intelligence (NAA: A 9787, 2). In theory the preliminary APL constitution, which was determined by Steward and Piesse, was to be ‘wholly non-partisan in character’ (Brookes Papers MS 1924, Series 17, Item 6). In reality, the group was hand picked and the board stacked with sixteen men representing wealthy interest groups all of whom supported the government’s views. The controlling body was to be filled with conservative elites and totally comprised of loyalists, Protestants, and patriots who were committed to helping the government achieve its political goals.
Political supporters of the League were also drawn from the conservative side of politics. Among those invited to join were Herbert Brookes, the son in-law of Alfred Deakin, a member of the Loyalty League and co-founder of the Victorian Protestant Federation. R. D. Elliot a former intelligence officer and Country Party Senator, was also invited, along with the Lord Mayor of Melbourne, W. W. Cabena, an ardent Protestant and Vice President of the Citizens Loyalist Committee (NAA: A 9787, 2; Rivett 1965: 63). The League was highly selective of those who were invited to join its ranks in order to preserve its integrity. ‘Propose to use men’ Brookes recommended to the Minister of Defence, ‘recruited from masons, Loyalty Leagues, soldiers and sailors, as vigilantes’ (Brookes Papers MS 1924, Series 17, Item 48).

Sectarian and ideological prejudice certainly affected the League’s membership. Loyalty to the League’s cause, according to Brookes, could certainly be compromised by the religious and political affiliations of its members. As he confided to the Minister of Defence, if any Roman Catholics in the Cabinet became aware of the League ‘they would at once suspect it and have it investigated’ or worse they would ‘ensure that R C [Roman Catholic] organisations are admitted to the Defence League with what results you can expect’ (Brookes Papers MS 1924, Series 17, Items 35–36). Given the aims of the League, its political values, and Hughes’ lingering problems with the Labor Party, it is also not surprising that no members of any union or the Labor Party were invited to attend the meeting regarding the formation of the Protective League (Meaney 2009: 231).
Apart from demonstrating the League’s political and religious disposition, during the meeting that took place on 29 May 1918, the group’s ideas about loyalty to the state also become quite pronounced. The government’s intelligence network, the Minister for Defence, George Pearce, argued had come to rely too ‘heavily on official channels of communication’ which he suggested ‘were very limited’. Pearce wanted the government to again extend their surveillance framework and reach out to commercial businesses by linking up private ‘bodies throughout the Commonwealth’. Pearce recommended that an Australian League would be the best method of joining together ‘a network of intelligence capable of bringing to notice anything of a suspicious character’ to the government (NAA: B 197, 1851/2/43).

General Legge, Chief of the General Staff, concurred. He suggested that ‘the only thing to do was to get everybody loyal to organize’. Legge even suggested that ‘women and children’ should be included in the activities of the League. Archibald Strong⁶¹, Professor of English at the University of Melbourne, suggested that ‘the enemies within our gates’ had been operating for far too long which he argued had ‘produced a lamentable effect’. Strong argued that since the last referendum campaign ‘these enemies’ had worked incessantly to ‘wreck the war organisation in Australia’. He suggested ‘you had to hit these extremist hard’ and that the only way to overcome ‘Bolshevism’ was ‘by organising a counter wave’. Morrice Williams, a representative attending the meeting on behalf of the Bank of London, moved that ‘a Citizens Bureaux [sic] of Intelligence and

⁶¹ Strong was later appointed Chief Commonwealth Censor of cinematograph films in the Hughes government. Edgeloe, V. A (1990) *Australian Dictionary of Biography*. 
A preliminary plan for establishing the principles underpinning the charter of the APL was undertaken by Herbert Brookes, the driving force behind the League’s establishment. It becomes quite clear that Brookes’ loyalties firmly coincided with the government, but also, reflected his personal vision of what loyalty to the state entailed. On 28 October 1918, Brookes outlined five recommendations, which he believed would serve as the basis of the League’s organisational structure. First, he opposed any publicity surrounding the League. ‘It would be fatal to its efficiency’ he argued ‘to make it public property’ (Brookes Papers MS 1924, Series 17, Item 39). The League must remain a completely secret association and unknown to the general public.

Second, Brookes wanted complete personal autonomy in selecting the members appointed to the League. ‘I would hesitate to form any committee’ he urged that ‘I did not have a hand in selecting’ (Brookes Papers MS 1924, Series 17, Item 40). His third recommendation suggested that the League should be headed by a ‘secret centre of three’ comprising the Minister of Defence as the Chairman, ‘a permanent departmental head who shall control the Federal Police’ and in addition ‘an individual whose services will be voluntary but has had experience in running organisations and association work in many spheres’. Brookes also recommended three of his own choices — and personal friends —
to head branches in Tasmania, South Australia, and New South Wales (Brookes Papers MS 1924, Series 17, Item 42).

The fourth recommendation Brookes put forward was that because a minister ‘from the very nature of his profession’ was ‘biased by political considerations’ the League’s Board should be able to decide ‘whether or not cases for prosecution should or should not be withdrawn’ (Brookes Papers MS 1924, Series 17, Item 46). Here Brookes possibly assumed that private citizens were in a more ‘objective’ position to determine who was a loyal citizen than the government. Consequently, under Brookes’ plan the League's investigations and secret units would be headed by leading businessmen. It would only be after consultation with these citizens that the SIB would then be permitted to arrest, detain, and prosecute suspects (Fisher 2011: 144).

Finally, Brookes recommended that if it ever became necessary to make a formal announcement about the League to completely deceive both parliament and the public. He suggested the League should explain that their activities were designed to ‘counter German post-war secret trade methods’ by ‘focusing on the other enemies in our midst’. This explanation, Brookes argued, ‘would also afford a justification for countering the expenditure of the Department if it were necessary’ (Brookes Papers MS 1924, Series 17, Item 47).
Before the ink was dry on Brookes’ report, and despite the government not having decided on League’s constitution, Brookes set to work organising the League’s initial activities. Of his own volition, he installed secret agents to gather information for the League at Trades Hall Melbourne, the One Big Union, the Transport Workers Union, the Victorian Railways Union, and the Victorian Police Department (Brookes Papers MS 1924, Series 17, Item 48). Brookes, at his own expense paid M. H. Ellis, the brother of Queensland Premier T. J. Ryan’s personal secretary, to assemble material on the Australian Labor Party and report on what he described as the ‘enemies in our midst’ (Brookes Papers MS 1924, Series 1, Item 6219; Moore 1989: 27). Such actions had most likely raised serious questions about Brookes’ tendency to assume total autonomy over the League’s activities.

Apprehensive about the amount of authority the Brookes plan would place in the hands of civilians and, perhaps, more than that, understanding that the government would be responsible for the actions of the ‘vigilantly’ voluntary arm, Watt referred the matter to Major Steward and the Director of Military Intelligence, Major Piesse, for revision. It was not until 29 November 1918, that Piesse and Steward delivered a revised charter for the League, which they renamed ‘A Federal Investigation Department’ and which in Piesse’s words proposed ‘a compromise between differing views’ (Brookes Papers MS 1924, Series 17, Item 2). It is most likely that this plan was, however, more palatable to the government and even more pliable for obtaining its policy objectives.
The Piesse–Steward plan reflected their own predisposition towards bureaucratic control of the intelligence machinery and they sought to place authority back in the hands of the intelligence agencies. The League, Steward and Piesse advised, should not be a completely voluntary organisation, but would instead be comprised of existing members of the SIB, Military and Naval Intelligence and the Commonwealth Police. The citizens voluntary arm would only ‘operate in alliance with a public department’ to supplement the League’s activities. This recommendation directly contradicted Brookes plan of a purely civilian League. Such recommendations, however, were probably not based on ethical considerations, but were more likely motivated by purely parochial interests. The adoption of this recommendation, as Piesse had framed it, would ‘allow the government to openly come to parliament for funds’, whereas the voluntary scheme outlined by Brookes would have the League raising its own revenue (Brookes Papers MS 1924, Series 17, Item 5). Essentially, Piesse and Steward realised that the Brookes plan would secure his autonomy in controlling the League because he would not need financial assistance from the government. The Piesse–Steward plan, on the other hand, reversed this arrangement and reflected the ‘intelligence chiefs determination to keep close control of the League’ by securing it to the intelligence bureaucracy which they had significant control over (Meaney 2009: 234).

Brookes was unhappy with the plan Steward and Piesse delivered most likely because it revised what he considered to be the essence of the League, which in his terms was a ‘self governing, self determining organisation’. Moreover, such revisions completely took control of the League out of his own
hands. Brookes argued to the Minister of Defence that unless the League was completely voluntary it would only attract members ‘who are willing to submit to the tyranny of the Director and Co’, people which he described as ‘a servile and woolly type’ (Brookes Papers MS 1924, Series 17, Item 28). According to Brookes’ vision, the League should be completely free from political pressure, where a select and privileged group of private citizens, sanctioned and protected by the government, were free to police and persecute their fellow citizens based on their own definition of dissent and subversion. Essentially what Brookes proposed was a form of bourgeois vigilantism, or as Meaney describes it, a ‘secret society given greater authority to act than the government... a secret state existing within the constitutional state’ (Meaney 2009: 235). Understandably, the Minister of Defence was concerned with Brookes’ dogmatic ideas and was cautious as to how he should proceed. By now the development of the League’s charter had became a protracted battle between Brookes and the intelligence chiefs about who was better positioned to act as the guardian of the Australian national interest.

Despite the enthusiasm to get the League up and running, with the signing of the Armistice in November 1918, the war ended and the League had achieved nothing. This, coupled with the impasse over the constitution between Brookes, Piesse and Steward, meant that the League had failed materialise. It was not until 27 September 1921 that the Acting Secretary of the Council of Defence, informed General Brudenell White, Chief of the General Staff that, ‘this matter now appears to be dead’. White responded by indicating that the Council of Defence saw no need to ‘propose any further action’ (NAA: B 197, 1851/2/43).
The government's most secret and ambitious intelligence plan of the war, a citizens vigilantly counter-revolutionary force, failed to produce any results. Nevertheless, that the proposal was seriously considered reveals the determination of the government to rid the nation of its internal political enemies and keep a handle on issues of social control. The whole idea for the League was not based on hard evidence that a revolution was under way but rather on the irrational judgment that the government could not trust the majority of its citizens to support their war policies. The League, in this sense, became a symbol of the governments 'hysteria about loyalty', demand for absolute patriotism, and an exemplar of the use to which intelligence could serve partisan goals (Meaney 2009: 236).

**Conclusion and preliminary findings**

This chapter traced the use and politicisation of intelligence by the Hughes government during the conscription campaigns of World War One. These campaigns exposed many hidden tensions that lay just below the surface of Australian society. All of which must be balanced within the wider context of the political conditions brought about by the First World War. As was argued in the previous chapter intelligence services are not immune to these political conditions and undoubtedly their actions are shaped by the political context in which they operate. Nevertheless, Hughes appropriated these conditions as a potent justification to use intelligence as a means of social and political control. The conscription campaigns pulled strongly on already fraying social conditions brought on by the war and resulted in a thoroughly polarising environment.
where loyalty to the state was demanded. In this framing, anyone who opposed
conscription could not be loyal and thus must be against the government and the
national interest. Such binary attitudes pervaded the national security
establishment and led the intelligence services to pursue the partisan interests of
the government, which was to persecute the nations ‘internal political enemies’.

A strong undercurrent running through the anti-conscription movement
was the deeply held belief that conscription was a means of exploiting the
working class for the benefit of capitalism. For many, specifically the IWW, this
was the government's hidden agenda. Their reaction was one likely based more
on obtaining social and economic equality than one based purely on Imperial
hatred and national disloyalty. While there is, perhaps, little doubt that the
unions and the IWW played a central role in securing the no vote in both
campaigns, in a liberal democracy, with its emphasis on the importance of free
speech and free public debate, these groups and individuals were expressing
their right to question the government’s motives. Despite the majority of its
members never threatening national security, and only a small minority ever
committing a crime, these opposition groups were deemed unlawful because
they opposed the government’s agenda.62 Subsequently, they were placed under
surveillance by the intelligence services.

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62 Frank Cain and P. J. Rushton estimated that the maximum number of IWW
memberships throughout Australia never amounted to more than 2000, See Cain, F
University. p. 183.
That the intelligence services took so willingly, enthusiastically, and unreservedly to this task was, perhaps, the result of two factors: a lack of bi-partisan oversight of intelligence services conduct and a lack of professionalism. Both factors played a role in the intelligence services partisan conduct. As Prime Minister and Attorney General in a war government, Hughes had almost complete control over the intelligence services. Under these conditions, there was a clear lack of bi-partisan oversight, which explains why the Hughes government could so easily use intelligence to suppress its political enemies without interference. But a lack of professionalism on the part of the intelligence services explains why they were so willing to facilitate the government’s objectives. A cursory examination of their activities reveals that their focus was on the government’s political opponents and not necessarily on threats to national security. This is further exemplified in their neglect to examine in any detail the activities of the pro-conscription movement. Taken together both factors show how politicisation occurred and explain how intelligence became a means of soliciting the entrapment of the government’s political opponents. The implication being that intelligence was a political device used to eliminate political opposition and thus highly politicised.

Personal factors also seem to have affected relations between the government and the intelligence services, specifically between Hughes and Major Steward. Traditionalist theory, as described in chapter one, offers an explanation as to how politicisation can occur when intelligence and political leaders interact too closely. Close proximity and interaction between intelligence and politics can reduce the appearance of objectivity and impartiality, especially when political
and intelligence leaders become attached to the success of a policy deliberation (Handel 1987: 12). The relationship between Hughes and Steward was, indeed, a bond fused by mutual ideological and political beliefs. They shared similar political attitudes and never challenged each other's social or political assumptions. As a result, intelligence and politics became closely aligned.

A clear inference to be drawn from this relationship is that it simultaneously constrained the actions of the SIB and coloured its results. Steward and the SIB never challenged the political objectives that motivated the Bureau nor was any attempt made to examine the dubious activities of Loyalty Leagues and pro-conscription groups. As the Governor General, Sir Ronald Munro Ferguson, rightly observed Steward had a close relationship with Hughes and he often acted as the prime minister’s personal secret agent. For this reason, Munro Ferguson recommended that Steward be removed from the Bureau and ordered the relationship to be terminated. This appears not to have worked. Steward continued to help the government and played a key role in the establishment of the Australian Defence League. Ultimately, the close relationship between Steward and Hughes was to bring intelligence very close to the political objectives Hughes sought to implement.

During both conscription campaigns, social conditions played a role in how intelligence became politicised. For example, Archbishop Mannix became a symbol of the Irish movement and an antagonist to the government and on several occasions he spoke out against conscription. To a large number of Australian Irish Catholics and anti-conscriptionists, Mannix was a voice of
reason. But to Hughes and the intelligence services Mannix epitomised those subversive and disloyal agitators such as Sinn Fein and the IWW, which he believed were intent on destroying his policy goals. The government responded to this threat by using intelligence to control dissenting opinion. But because Mannix was an Archbishop of a Christian Church, the government and the intelligence services could not easily silence him. Hughes then sought recourse to the British government and the highest levels of the Catholic Church at the Vatican, in order to put a stop to Mannix’s activities. Such behaviour is perhaps further evidence of the extreme lengths they were willing to go in order to control free speech and suppress all forms of political dissent. Moreover, these events show how social conditions can be responsible for giving rise to conditions under which intelligence can become politicised.

These issues of social control, wrapped up in contested notions of loyalty, were perhaps brought to a head when the government considered the establishment of the Australian Protective League. The stacking of this politically motivated private intelligence organisation with an elite group of privileged citizens all committed to the governments war aims, is a clear example of both politicising intelligence by appointment and the creation of an external politically motivated intelligence service. Moreover, it reflected the government’s binary views on the relationship between loyalty to the state and the use of external measures to facilitate a government objective. The basis of the League was built on the assumption that a large section of the community was disloyal and could not be trusted. Such assumptions were not based on evidence but inextricably linked to arbitrary notions of loyalty, nationalism, and patriotic duty.
It is perhaps indicative of the government’s hysteria where they saw enemies lurking around just about every corner. It is also perhaps a strange irony that one of the most sacred values Hughes demanded from the community during the conscription campaign was that of loyalty. Yet it is this same value, an unquestioned loyalty to the government’s objectives, that ultimately led the intelligence services to pursue completely partisan objectives and to become politicised.
Chapter Four

Systems error: Intelligence inquiries, politicisation, and administrative ruination (1940 – 1948)

'It would be a sheer over-statement to say that our security organisation is equipped either in structure or personnel, to measure up to the new tests with which it will be called upon to deal'.

(Minister for the Army, Frank Forde 1942)

Introduction

During the Second World War, when the Australian military was fighting in Europe, North Africa, and the Pacific, there was an intelligence battle being fought at home. It was not a battle against espionage or foreign spies, but rather a bureaucratic struggle over the administration and control of the intelligence services. Indeed, the development of the Australian intelligence community during the Second World War could be described as a period of sustained turbulence, underpinned by bureaucratic rivalries and periods of politicisation. Consequently, the security intelligence services limped through the War bedevilled by a series of administrative problems.

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63 Secret memo, Frank Forde to H. V. Evatt, 5 March 1942 (NAA: MP 729/6, 15/403/199).
By the start of the Second World War, the Australian government had a multiplicity of security intelligence organisations, but there was no centralised or coordinated authority to deal with intelligence matters at the national or international level (Lamidey 1970: 48). Each organisation performed an array of civil and military intelligence functions. Some were passive to the political command of their masters while others opposed their authority. None of the services could collaborate effectively and there was little cooperation or collegiality. As one report from 1942 noted, ‘personal interests and friction between certain departments have retarded the development of the Security Service’ (NAA: A 12383, A/2/1 Attachment 2). Most certainly, these conditions contributed to many of the problems the services encountered.

At this time, the Australian government still had no formal policy or working definitions regarding intelligence and how it should function. Nor could the various government departments responsible for their administration agree on their proper location, control, and objectives (Templeton 1979: 169). Against this backdrop the environment in which the intelligence services operated became intensely personalised. In the early 1940s, the War Cabinet attempted to resolve these administrative difficulties. Several inquiries were held. But instead of resolving the problems, the inquiries only brought politics more centrally into the equation and exacerbated conflict.

64 These agencies included:
(1) The Directorate of Naval Intelligence
(2) The Directorate of Air Intelligence
(3) The Directorate of Military Intelligence (Army)
(4) Security Service
(5) The Commonwealth Investigation Branch
(NAA: MP 729/6, 15/403/199)
This chapter studies the conflict that arose over the administrative control of the Australian intelligence services during the Second World War by focusing on how inter-service rivalry between government departments and the intelligence services led to administrative atrophy. My argument is that the administrative behaviour and institutional culture of government at this time created a highly politicising environment. To develop this argument, the chapter proceeds in three steps. First, it describes the events that led to two significant inquiries designed to fix the maladministration of the Australian Security Service. Here the discussion examines why these inquiries were met with fierce resistance and intervention by the Australian military. Next, the chapter looks at where this resistance originated from, what it was designed to achieve, and how this intervention can be understood as a form of politicisation.

Second, the chapter presents an analysis of the two inquiries under discussion. It describes how partisan political interests and interdepartmental rivalry stifled the investigations, which resulted in a politicised outcome. Finally, the chapter offers an analysis of the causes and conditions that underpin the politicisation of the Australian intelligence bureaucracy during the Second World War. What follows is an attempt to understand how political interests can seep into an intelligence bureaucracy and result in a politicised intelligence service. The underlying thesis of this chapter is that if an intelligence agency is established, organised and administered with partisan objectives in mind, it will inevitably be vulnerable to politicisation. In short, if the administration of an intelligence service is politicised this will inevitably produce a politicised intelligence service.
Divergent voices: establishing the Security Service

In February 1941, after a series of negotiations dating back to 1936, the War Cabinet approved the establishment of a ‘Defence Security Bureau’ as part of the Attorney General’s Department. Known as the Security Service, this agency operated under the administrative control of the Attorney General, but conformed to the operational control of the Chiefs of Staff in the Defence Department. In short, it served two quite different masters. On 5 March 1941, Eric Edwin Longfield Lloyd was appointed Director of the Security Service, but Lloyd was given no written charter outlining the powers and authority vested in the new Service (NAA: A 5954, 805/2; Lamidey 1970: 49). Consequently, when the Service became operational on 31 March, it immediately met obstructionism in its development, staff appointments, and other political difficulties (NAA: MP 729/6, 15/403/199). As a result, it would never function as intended.

Securing competent staff to the Service also presented significant problems. The Attorney General’s department was reluctant to cooperate in confirming staff appointments in the central and state branches. Director Longfield Lloyd turned to the army to obtain personnel and he appointed a number of former Military Intelligence staff. Except for South Australia, all Directors of the State branches were army officers and most of these branches operated within the Army’s Intelligence section of the General Staff (Coulthard-Clark 1979 b: 24). Although the Attorney General’s department refused to appoint any civilian staff, at the same time it complained about the ‘militarisation’ of the Security Service. Consequently, the Service remained without civilian staff for several months. It became clear that administrative
assistance from the Attorney General would not be forthcoming (Templeton 1979: 180–181).

The already existing intelligence services were reluctant to cooperate with the new Security Service. For example, the navy had little faith in the abilities of the Service and distrusted the army’s dominating influence. It tended to refer to the Naval Security Services for information. Although it was intended that naval security files would be handed over to the Security Service upon its commencement, the navy later refused to relinquish any of their own responsibilities and no Naval Intelligence files were handed over. In August 1941, the navy then withdrew its officer from the Security Service and severed all relations (NAA: A 12383, A/2/1 Attachment 2). The air force, for similar reasons, continued to rely upon its own Directorate of Intelligence and refused to cooperate with the Security Service (Cain 1983: 280).

Harold Jones, Director of the Commonwealth Investigation Branch (herein CIB), was also uncooperative. He sought to protect the Branch’s area of interest. No CIB security files were passed on to the new Security Service. Later the army attempted to assume more of the Branch’s functions. It requested the Dominions Office in London that all security and intelligence communications should now be directed through the Security Service, not the CIB. But Jones refused to hand over the cipher codes for the transmission of the communications. Sir George Knowles, on the advice of the Prime Minister, stepped in and informed the army that Jones would indeed remain the liaison between Australia and London (Cain 1983: 279). Jones was sceptical of the Army
General Staff’s dominating influence over the Service, selection of personnel, and their relaxed attitude to security vetting. He later recounted that one army appointment had to be refused because the candidate had a close relationship with Japanese business interests. On another occasion, he had to refuse a nomination because the candidate was blind (Canberra Times June 25, 1978: 16). ‘Owing to obstruction, frustration and lack of cooperation’ as one governmental official explained ‘the work and authority of the Security Service has been rendered virtually impotent’ (NAA: MP 729/6, 15/403/199).

Aware of such problems, the War Cabinet attempted to investigate. On 4 July 1941, Attorney General, William Morris Hughes, with the approval of the War Cabinet, directed Lieutenant-Colonel John Mawhood, a British Officer and MI5 agent, to conduct an inquiry into the state of the newly established Security Service (NAA: A 5954, 806/1). Minister for the Army, Percy Spender, also requested that Mawhood investigate and report on Army Intelligence, about which Spender had expressed deep misgivings explaining tersely that he was ‘very dissatisfied’ with their performance (NAA: A 5954, 806/1; MP 729/6, 29/401/477).
Enter the inquisitors

Lieutenant-Colonel John Mawhood’s presence in Australia is steeped in mystery and controversy. He arrived in December 1940, with the full approval of the War Office and MI5 as part of the British Military Mission 104, which appears to have been part of the Special Operations Executive (Andrew 1989: 221). After a six-week visit to New Zealand, where he carried out training exercises in paramilitary activities with the armed forces and helped to organise the Central Security Intelligence Bureau, Mawhood moved on to Australia (NAA: MP 729/6, 29/401/477). In Australia, his objective was to establish a school for psychological and guerrilla warfare aimed at countering fifth column activities. Lieutenant Colonel M. Percival, Director of Military Intelligence in London, stated on 9 October 1940 that Mawhood was to be placed at the disposal of the Australian General Staff in order to:

(a) Initiate defensive action against enemy fifth column and paramilitary activities in Australia and her dependencies.

(b) Initiate offensive action by organising a fifth column of its own and paramilitary activities in territories occupied by the enemy.

(NAA: MP 742/1, M/7/168)

Seconded to Army Headquarters in Melbourne, his objectives were kept strictly on a need-to-know basis. Brudenell White, Chief of the Australian General Staff was briefed on Mawhood’s assignment in June 1940, but Cabinet was not informed until January 1941 (NAA: A 1608, G 39/2/1). This secrecy invariably caused confusion. When Brudenell White was killed in an air crash in August 1941, his successor, Vernon Sturdee, did not know of Mawhood’s objectives.
Thus, the army knew little of what Mawhood’s mission was intended to achieve (Winter 1995: 72).

While Mawhood’s service in Australia began on a paramilitary footing, it ended serving a political function. He possessed an intimate knowledge of MI5 security and political operations and at the request of, Harold Jones, Mawhood met with cabinet ministers and the prime minister in June 1941. After meeting with Mawhood, Prime Minister Robert Menzies later reported that he had ‘greatly impressed’ him. Menzies recommended that Mawhood’s services be utilised further (NAA: MP 729/6, 15/403/95). Attorney General William Hughes, and the Secretary of the Attorney General’s Department Sir George Knowles, concurred. Exactly what Mawhood discussed with the government is not disclosed in the archival sources but he seems to have quickly earned their trust and confidence (NAA: MP 729/6, 29/401/477).

But Mawhood did not impress the army. His bona fides were immediately questioned and army authorities declared him fraudulent. ‘I regard Mawhood totally unfitted for any employment in connection with Security Service Organisation’ Lieutenant-General Vernon Sturdee wrote to the Deputy Chief of the General Staff, John Northcott, on 11 July 1941. ‘I flatly refuse to permit Mawhood to investigate Army Intelligence a subject of which he has no knowledge’. Sturdee instructed Northcott to cable the War Office in London demanding that Mawhood be recalled (NAA: MP 742/1, M/7/168). But a War Cabinet minute reveals that Sturdee’s cablegram did not have ministerial
approval and his actions ‘contravened instructions relating to the channel of communications for government matters’ (NAA: A 5954, 806/1).

It appears that the army was desperate to find anything that might incriminate Mawhood, presumably as an attempt to shut down his inquiry. In Melbourne, plain-clothed Army Intelligence officers followed him closely and tapped his residential telephone. Such a tactic, one usually employed to investigate cases of espionage, sabotage, or subversive activity — an executive action — most likely had no executive approval. Mawhood’s military record was given a thorough examination and his background scrutinised. Yet, no incriminating evidence could be found (Cain 1983: 285; *Canberra Times* 25 June 1978: 16). Director of the Security Service, Longfield Lloyd, made repeated claims to the government that the man representing himself as Mawhood was not in fact his true identity. He told Sir George Knowles that ‘Mawhood may have been pushed off the boat on his way out’ (NAA: A 12383, A/2/1 Attachment 2). Menzies was forced to check on Mawhood’s identity and verify his background. The War Office cabled back a report through the Australian High Commissioner, S. M. Bruce, on 22 July 1941. The report stated that although Mawhood was ‘a man of great keenness and energy’ he was ‘rather heavy-footed and lacking in tact’. For this reason, the War Office suggested that he probably did not have the experience to conduct such an inquiry. Nonetheless, the War Office informed the Australian government that they would ‘be hard put to send another man’ and because of this, there could be no harm in asking for Mawhood’s views (NAA: A 12383, A/2/1 Attachment 2).
But the army showed open contempt for Mawhood and it used underhanded methods to try and dispose of him. Without the consent or knowledge of the government, Army Headquarters in Melbourne sent a private message to the War Office in London complaining that ‘Mawhood’s presence here is a continual disturbing factor and a source of embarrassment, request you recall Mawhood at once’. The War Office replied somewhat confused and apologetic announcing that he would be recalled to London immediately (NAA: MP 742/1, M/7/168). The army then began preparations for his departure. His passage back to England was booked for 3 September 1941, but none of this was known to or authorised by the Australian government (NAA: MP 729/6, 29/401/477).

Despite the army’s protests and the War Office’s unfavourable remarks on Mawhood’s abilities, Hughes and Knowles pushed back. They seemed determined to retain his services. On 2 September 1941, Prime Minister Menzies informed the Minister for the Army, Percy Spender, that Mawhood was not to return to London — instead he was to remain in Australia for three months and be at the disposal of the Attorney General (NAA: MP 729/6, 29/401/477). In this regard, Mawhood seems to have enjoyed a certain amount of patronage and political protection. However, sustained pressure from the army did have some success and the War Cabinet bent to some of their demands. Mawhood’s remit was significantly diluted. He was now to be assisted in his inquiry by the Victorian Commissioner of Police, Alexander Duncan. The army had deemed Duncan a more acceptable appointment for the investigation. More importantly, on 24 September 1941, the Director of Military Intelligence was informed that
there would be no inquiry into operational intelligence of the military. The inquiry would focus on ‘security matters only’ (NAA: MP 742/1, M/7/168).

**Preliminary insights**

All of this suggests that competing interests between political leaders and public servants (the army) created an environment where politicisation could take place. Three features distinguish why such an environment was conducive to politicisation. First, each party sought to manipulate the terms of reference of the inquiry to their advantage. Second, neither of the investigators appointed to conduct the investigation were apolitical bureaucrats. Mawhood, for instance was appointed at the pleasure of the government, while Duncan was appointed at the request of the army. Both served to deliver findings responsive to the interests of their patrons. And finally, all parties attempted to control the subject matter that would be investigated.

Another factor worth noting is that the army, an apparent apolitical body, could wield significant power — enough to influence the terms of reference of a formal government inquiry. There is some evidence that military officials acted above democratically elected representatives of government and assumed political roles. For example, the army appealed directly to the War Office in London to get rid of Mawhood without the knowledge or consent of the Australian government. As Frank Cain rightly argues this ‘amounted to a countermanding of the of the government’s decision to hold the investigation’ (Cain 1983: 285). The army, for their own benefit, directly intervened in the domestic politics of government with the goal of discrediting Mawhood and
stopping his inquiry. That Duncan was then instructed to assist Mawhood can be viewed as a consequence of this intervention and a result of pressure exerted onto the government by the army.

Taken together these factors show that the inquiry took place in a highly politicised environment driven by personal and bureaucratic politics. The inquiry’s objectives were purposefully shifted from addressing the maladministration of the Intelligence Services to political point scoring. This was a planned strategy to achieve particular partisan goals and an attempt to thwart other parties from achieving their objectives. According to intelligence historian, Glenn P. Hastedt, this behaviour can be described as a form of ‘soft politicization’, where ‘victory is achieved not by imposing an outcome but by shaping the ideas, voices, rules, and settings’ (Hastedt 2013:10). Among the many divergent voices, the army’s was the most commanding.

Perhaps, the relevant question to be drawn from these events is why would the army want to obstruct a formal government inquiry into the maladministration of the Security Service and Military Intelligence. And, why did they attempt to shape the ideas, voices, rules and settings of the investigation? The more interesting question is what exactly were they so determined to hide?
Speculative answers can be found by examining the rise of a number of secretive armies that had scheming political ambitions. It is possible, though not certain that the military, and sympathetic elements within the government, had established dubious connections with a number of right wing paramilitary groups such as the Old Guard, the New Guard, and the White Army. Examining the relationship between these bodies and Military Intelligence provides a glimpse into why the army had so fervently contested Mawhood’s investigation. Archival documents and secondary sources provide some insight into why Mawhood’s inquiry into military intelligence may have been a catalyst for politicising the inquiry.

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The New Guard

Formed in February 1931, the New Guard was a right wing militant group fiercely loyal to the empire and staunchly anti-communist. At its peak the Guard had about 36 000 members, most of which were ex-Australian Imperial Servicemen (Moore 2010: 204). A police report on the New Guard, presented to the New South Wales Legislative Assembly on 23 December 1931, listed forty-three military officers and an extensive membership of ex-military personnel (NAA: A 6122, 2, Volume 1). In May 1932, Senator James Dunn, alleged that ‘it had been definitely established... that seventeen members of the Commonwealth Parliament are members of this organisation’ (Senate 19 May 1932: 1084). It is fairly clear that the New Guard, indeed, had political motivations. For instance, in early 1932, it had come close to overthrowing the New South Wales Labor
government of J. T. Lang. Later in March 1932, Longfield Lloyd, Director of the Security Service, reported that reliable sources had informed him that a section of the New Guard known as the ‘Bulldog Drummonds’ ‘had been ordered to kidnap the entire NSW Cabinet’ (NAA: A 367, C 94121). It is possible that the New Guard not only had intimate connections with New South Wales Police and Military Intelligence but also received some measure of political protection from them.

On 19 March 1932, Francis De Groot, of the New Guard joined the Governor General's entourage at the opening of the Sydney Harbour Bridge. Mounted on horseback and in army uniform he slashed the ceremonial ribbon thereby pre-empting Premier J. T. Lang’s official opening ceremony. De Groot declared the bridge open ‘on behalf of decent and loyal citizens of New South Wales’ — he was arrested but only briefly incarcerated (Sydney Morning Herald 21 March 1932: 15). De Groot’s actions were a vivid demonstration of the political intentions of the New Guard and his brief arrest was, perhaps, a signal of the federal government’s tolerance toward their politics. De Groot also reportedly acted as a conduit between the Attorney General, John Latham, and Eric Campbell — Chief Commander of the New Guard — in order to pass

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65. These same allegations, along with a number of statutory declarations confirming the Guard’s intentions — supplied by former members — were aired in the Senate on 19 May 1932. This was quickly shut down by Senator George Pearce and then ruled out of order by the Speaker. See: Senate 19 May 1932: 1080-1086.

information to the CIB. Between 1932 and 1937, archival documents show that Campbell was receiving correspondence on Fascism and anti-Bolshevism from Dr R. Asmis, German Consul General in Sydney (NAA: A 6122/2/Volume 1; NAA: A 12393, 799). Campbell was most likely supplying translations of Goebbels’ speeches and related information from this channel through to Attorney General Latham (Winter 1995: 24). But, there appears to be stronger links between Campbell and the government.

Evidence indicates that personal connections between the New Guard, the military, and parts of the government extended deeper than these formal connections. For example, in The Intrigue Master, Barbara Winter’s biography of Director of Naval Intelligence, Rupert Long, identifies that De Groot attended Long’s wedding as a personal guest in August 1937 (Winter 1995: 29). Also, Eric Campbell had written twice to Prime Minister, Joseph Lyons, offering the services of the New Guard to the government. ‘In case of emergency the New Guard will unreservedly place its entire resources at the disposal and under control of Commonwealth Government’, Campbell wrote to Lyons on the 6 April 1932. ‘Organised units under known commanders will be ready on two hours notice, day or night’. Lyons replied the following day, but he did not reject Campbell’s offer outright, rather he suggested it was not necessary. ‘We welcome at all times the cooperation of all sections of the community in maintaining law and order’ but on this occasion Lyons said he did not foresee any emergency arising (Lyons Papers MS 4581, Box 1, Folder 4).

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67 It has been suggested that De Groot may have even been an undercover agent placed within the New Guard by one of the security services. There is, however, little evidence to support this. See Andrew Moore (2010) ‘Loyal Lieutenant or Spy’ p. 205.
On 5 May 1932, Campbell again wrote to Lyons this time to congratulate him on the success of his ‘policy regarding the suppression of communism and the deportation of communists’. Lyons wrote back to Campbell on 14 January 1932 thanking him for his correspondence. On this occasion, Campbell’s offer of service seems to have been accepted. Lyons told Campbell that he had shown his letter to the Attorney General who had requested that if Campbell had ‘any information, which would assist in the prosecution of offenders [communists] the Attorney General would be very glad if you could communicate it to him at the earliest possible moment’ (NAA: CP 30/3, 13). Given this, it is possible that the government had intended to use the New Guard, perhaps, as a means of outsourcing the intelligence gathering functions that were too politically dirty.

It appears that the government may have tolerated the New Guard, but only if it was politically expedient. If it could supply some form of political capital, such as information leading to the arrest of Communists, the New Guard might even be useful. However, if it caused political problems, the government tended to disassociate itself from the Guard. In this respect, the government’s position is both telling and contradictory. On 11 March 1932, Director of the CIB Harold Jones wrote to the Acting Attorney General urging that some form of official action be taken against the Guard. He recommended that the Prime Minister under Section 27 (1) of the Crimes Act (Cwlth) immediately prohibit the New Guard in all states and territories (NAA: A 367, C 94121). However, rather than prohibit the New Guard under law, Lyons placed a small statement in The Argus newspaper the next day appealing to ‘all law abiding citizens’ to cooperate with authorities in order to maintain the ‘peace of the community’ (The Argus 12
March 1932:23). Jones’ recommendation seems to have had minimal impact. Given the federal government’s previous history in dealing with potentially ‘subversive’ political groups and subversive associations, the New Guard was never declared criminal or a threat to national security. On the other hand, the IWW had been officially declared unlawful and members of its organisation harassed and imprisoned on far less incriminating evidence. Political bias in this case is clear. Right wing groups were deemed less radical and no threat to security. They were at times possibly even useful.

This double standard, however, could not be sustained. In May 1932, these matters were forced to the surface when New South Wales Police raided New Guard premises in Sydney. Documents seized in the raids were highly embarrassing because they appeared to confirm the allegations of collusion between the New Guard and the military (Egan 1981: 26). These allegations then started to circulate in the press. For example, in May 1932, the Sydney Morning Herald reported that police had uncovered military reports in the possession of the Intelligence Branch of the New Guard, which provided details about the transfer of arms and munitions from Victoria Barracks to Garden Island. Other information such as the military code names given to rifles, machine guns, and assorted firearms, were also discovered in their possession along with information regarding military troop movements and plans of the Victoria Barracks. The documents revealed that the Guard had ‘full knowledge of the federal government’s military wireless systems’ (The Sydney Morning Herald 12 May 1932: 10; Amos 1976: 47).
Questions were raised in the Senate and the House of Representatives the same day. J. A Beasley, Labor Member for West Sydney, argued that the Defence Department ‘was in sympathy with the aims and objectives’ of the New Guard, adding that the New Guard had been assured of ‘assistance and support from the Defence Department’. He wanted to know ‘who allowed secret information to be placed at the disposal of the organisation?’ (NAA: B 1535, 812/1/23; House of Representatives, 12 May 1932:670–71). The government firmly disputed the allegations. Prime Minister Lyons argued the whole affair was a ‘frame up’, which amounted to little more than ‘political propaganda’. He said that ‘the people of Australia will, I am sure, require more convincing evidence than has been adduced up to date before they will condemn either this Government, the Defence Department, or the organisation which has been attacked’. Lyons announced that the government would conduct a ‘close and exhaustive examination’ through a Royal Commission to investigate the allegations. Beasley simply replied that ‘the prime minister will get all he wants from such an inquiry. He is up to his neck in it’ (House of Representatives, 12 May 1932: 674).

Rather tellingly, and as Beasley had anticipated, the Royal Commission never eventuated.68 Instead, the Defence Department was commissioned to investigate itself behind closed doors. This inquiry was led by one of its most senior officers, Major General Julius H. Bruche, Australian Chief of the General Staff. Bruche submitted his reported on 7 June 1932, and even though the report

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68 The exact reasons given by the Lyons government as to why a Royal Commission would not be held are difficult to determine. L. J. Egan argued that financial considerations were the primary reason why Lyons abandoned the idea. However, Lyons himself said in May 1932, that an investigation of the New Guard was not necessary, but in August he said that an investigation should be a State not a Commonwealth matter. Compare: Egan, L. J (1981) p. 27, with House of Representatives, 20 May 1932: 1125 and 31 August 1932: 54-55.
was not tabled in parliament it was made public several months later in the *Sydney Morning Herald* (Egan, 1981: 27). Bruche reported there was no evidence of collusion or misconduct. In many respects, Bruche’s findings merely echo Lyon’s claim that the whole affair was a frame-up reporting almost anodyne conclusions. In short, Bruche stated that:

> No evidence that information of a confidential character referring to any Defence matter has been communicated to or obtained by the New Guard from any officer of the Department.

(NAA: B 1535, 812/1/23)

Although Bruche found no evidence of official collusion, he left some important questions unasked. For instance, Bruche noted that the New Guard had actively recruited members of the militia forces and it was possible that such personnel, motivated by ‘the best of intentions’, had joined the New Guard. While Bruche acknowledged that militia forces were involved with the New Guard, he sidestepped the issue of investigating the involvement of any militia personnel. Perhaps more revealing, he stated that his inquiry had been restricted to investigating the conduct of military officers only while on duty. When acting ‘in their civil capacity’ he pointed out that members of the armed forces were ‘at liberty to engage in any activity they desire. They are free to join any type of organisation be it political or otherwise’ (NAA: B 1535, 812/1/23). Such findings hardly absolve the Defence Department of colluding with the New Guard and leave important questions unanswered.
That Bruche’s inquiry stopped short of examining the conduct of military personnel outside of ‘business hours’, and militia personnel, indicates a selective interpretation and articulation of the issue. As Bruche noted, a wide and probing investigation did not take place and thereby, certain questions and evidence were suppressed. So while the government did not encourage Bruche to draw conclusions favourable to it, an investigatory barrier was placed on his inquiries and issues addressed selectively. In the Bruche inquiry, political manipulation entered first by the government allowing the Defence Department to investigate itself and then partly in the form of the questions asked, or not asked by Bruche. It suggests a bureaucracy intent on protecting information and the presence of subtle manipulation. Further evidence of complicity can be seen in a comment later made by the Director of the Commonwealth Investigation Branch, Harold Jones. He stated that:

When the New Guard raised its Fascist head in New South Wales, there was an organisation in existence supported by army officers and the then Commissioner of Police because they regarded the Labor government as disloyal. The Investigation Branch was instructed to inquire into this body known as the League of National Safety.69

(NAA: A 12383, A/2/1 Attachment 2)

Jones did not state what action, if any, followed from these inquiries. But according to Jones, the investigations provoked bitter resentment between the Army and the civilian intelligence services. So, although the CIB had kept tabs on these groups, no action seems to have been taken to shut them down. In the end, ‘what remains’ as historian L. J. Egan points out ‘is that the investigations and

69 Evidence indicates that the League of National Safety (LNS) was probably a branch of the White Guard and that the two organisations had merged in the 1930s. See Coulthard-Clark (1996) p. 173. Archival document NAA: A 396, D 585, compiled by the Commonwealth Investigation Branch and later registered by ASIO in 1992, also supports this.
denial of collusion was made by an organisation which had a vested interest in absolving itself of complicity’ (Egan 1981: 28). Even though the civilian intelligence services knew of the spurious connections between the military and the paramilitary groups the Bruche inquiry was shaped in such a way as to protect the military from further public embarrassment. Again, elements of politicisation in various forms become apparent.

**Honourable gentlemen? The Old Guard and the White Guard**

On 28 July 1931, Ernest Crutchley, the British representative in Australia, wrote to the British Under Secretary of State for Dominion Affairs informing him of the political situation regarding the government of J. T. Lang in New South Wales. Aspects of Crutchley’s letter are revealing.

There is no indication of danger of public safety, though a certain amount of loud talk and sensational rumours, but the secret organisation referred to in my dispatch of April 22nd to the Assistant Under Secretary of State has developed well. It numbers 5000 in Sydney and 18 000 in the Country and is working secretly with the police.

(NA: DO 35/400/4, Author’s emphasis) 70

It is likely that Crutchley’s reference to a secret organisation working with the police was that of the Old Guard. The Old Guard was an organisation formed in 1930 by C. L. A. Abbott, ex-Australian Imperial Forces officer and Minister for Home Affairs in the Bruce–Page government, along with a number of high-ranking army officers (Cain: 1983: 221). It was established with the grand ambition of taking over the running of the New South Wales government if, or

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70 This record is located in the British National Archives, Dominions Office Correspondence. The mentioned dispatch of, April 22nd, could not be found in the records by the author.
when Premier J. T. Lang was removed. It too, held deeply anti-left wing views, despised the Lang Labor government, and appears to have been endorsed to some extent by the Lyons government (Moore 1989: 188). The Old Guard, unlike the New Guard, did not seek the spotlight and tended to conceal its identity. It operated under various guises such as: ‘The Gillespie–Goldfinch Committee’; the ‘Country Defence Organization’; ‘The Movement’; ‘X Force’ or as the intelligence services referred to them the ‘Silent Organization’ or the ‘Silent Body’ (Cain 1983: 221; Moore 1989:1; NAA: A 6122, 2 Volume 1).

The Old Guard was organised along a similar militant organisational structure to the New Guard and could reportedly mobilise 30 000 members at short notice. One historian has suggested that the foundation of the Old Guard was ‘directly encouraged, if not, organised’ by a similar Melbourne based organisation known as the White Guard or White Army. This appears to be corroborated by the Director of the Commonwealth Investigation Branch, Harold Jones. Evidently the White Guard seems to have had links with high-ranking Australian army officers, and was deemed by Crutchley as ‘a source of danger’ (NA: DO 35/400/4). Jones later confirmed that a number of military officers such as General Sir Brudenell White, Chief of the General Staff, Brigadier General H. W. Lloyd, and Warrant Officer H. H. Downey, were known to be members of this association (Lyons Papers MS 4851, Box 1, Folder 4; NAA: A 369, D 585). Further inquiries conducted by the Commonwealth Investigation Branch in April 1931 reported that Eric Harrison, Commanding Officer Duntroon, Major Sproat, and Major Ebeling had also been identified as members (NAA: A 395, NN). Historian, Keith Amos, in his biography The New Guard Movement cites Major
General Sir Thomas Blamey, Victoria’s Chief of Police and Commander of the 10th Infantry Brigade as another prominent member. Both of these organisations were know to have Fascist political views and consequently wider links with Fascist movements in Britain (Amos 1976: 16; Coulthard-Clark 1996:169). It is likely that the military did not want these links to be revealed through the Mawhood and Duncan inquiry.

The Old Guard had well-established links to the Defence department, suggesting that it too, had good reason to obfuscate an investigation into Military Intelligence. A number of staff officers were known to have attended early meetings of the Old Guard in Sydney. For example, Army Brigadier Francis Heritage, regularly attended Old Guard meetings at Abbott’s home, while Colonel H. D. K. McCartney, Major W. J. R. Scott, and G. F. Wooten were known to be involved with the Old Guard at the organisational level (Coulthard-Clark 1996: 172). It appears that the Old Guard formed a link between the military and the civil militia forces to serve as part of the governments ‘Internal Security Scheme’ (Moore 1989: 189). These forces were to be deployed in the instance of civil unrest and provide support to the army. While the intelligence services knew full well of the Old Guard, the White Guard, their ideology and political motivations, there is a clear disinclination to collect and disseminate intelligence on them (Cain 1990: 2; Cain 1994: 14). For example, only a few intelligence reports in the Australian Archives exist assessing their activities.
The few reports that are available suggest that the intelligence services advocated their services in assisting the military. For example, Major (later Brigadier) Combes of Military Intelligence in one report assessed that the Old Guard, ‘would cause no trouble of any kind’. He added that the Old Guard in an emergency would actually ‘be very useful in shortening the time necessary to raise Special Forces’ (Combes in Moore 1989: 190). Two reports indicate the Commonwealth Investigation Branch also showed similar favour towards the Old Guard. Harold Jones wrote to Longfield Lloyd on 11 February 1932 asking him ‘what would be the extent of support available to the Commonwealth as an adjunct to a Peace Force by the C. D. O. [Country Defence Organisation]’.

Longfield Lloyd replied on 15 February stating that the Sydney branch of the Silent Organisation ‘is perfectly suitable for support of the governmental arm. It is unconditionally available, and contains the best elements in the community’ (NAA: A 6122, 2, Volume 1).

While the military and intelligence services did not officially condone the paramilitary activities of these secret armies, circumstantial evidence suggests that they tolerated and even used their services in an unofficial capacity. Furthermore, much of the information regarding these organisations, and their links to defence, was deliberately kept out of reach from both Mawhood and Duncan in their inquiries. The full extent of the political ambitions these invisible armies held is difficult to judge with full assurance. Yet, it is reasonable to conclude, based on the available evidence, that there were links between them and the military, the government and the Intelligence Services. This is perhaps made more evident given that both Mawhood and Duncan were forbidden to
investigate the full scope of the allegations. All of this suggests a pervasive and unrestrained culture of politicisation running throughout the military and intelligence services.

Given even a generous interpretation of these events, it is not surprising that the army tried to obfuscate the inquiry into its intelligence operations. Despite this shortfall, both Mawhood and Duncan later turned in scathing reports of the Australian intelligence services, each of which largely supported the positions of their respective political sponsors. An analysis of these reports reveals the full extent of how the politicised bureaucracy of government would effectively come to politicise the intelligence services. The reports further highlight the political struggles that ensued over who would control the intelligence bureaucracy and whether it would serve the interests of the military, the Attorney General’s department, or the national interest.

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The Mawhood report: An assessment

Before he began his inquiry, Mawhood had questioned the capabilities of Military Intelligence. On 18 October 1941, he delivered a scathing report to the Attorney General reflecting this opinion. ‘I am most unfavourably impressed and disturbed by what I have seen and learned during my stay’ he reported. Mawhood was disturbed by what he said were three key weaknesses: policy, personnel and training. He found there was ‘no clearly defined policy regarding intelligence’, and ‘no proper conception of what military intelligence really means’. He found the intelligence community seemed to be one of ‘haphazard growth’ with little attempt to ‘look at intelligence as it might concern Australia or to determine what was necessary to plan to get it’. These defects, according to Mawhood, were the result of ‘a lack of proper direction’. He chastised the Director of Military Intelligence, Colonel James Chapman, stating ‘quite bluntly, he has not the personality, intellect, education, or training for this important post’ (NAA: A 12383, A/2/1 Attachment 2).

Mawhood’s report scolded Australian Military Intelligence for having no clear rationale underpinning the selection of its staff. He found none of the officers within the Military Intelligence bureaucracy to be of a sufficient calibre and many did not possess ‘the intelligence, personality nor knowledge requisite for the task’. He remarked bitterly that:

Good intelligence demands an alert and vigorous brain, and I feel sure that no one could claim that Military Intelligence at Army Headquarters is remarkable in that direction.

(NAA: A 12383, A/2/1 Attachment 2)
He reported that the grounds for selecting intelligence staff amounted to little more than nepotism because ‘the appointment of such men could not be justified by considerations other than those of personal favour’. Mawhood’s comments suggest that the culture of Military Intelligence had become one that was intensely personalised, and politicised by appointment. It indicates that the Military Intelligence bureaucracy favoured such conditions because it protected and promoted their individual interests. Mawhood was suspicious that Brigadier Combes, had ‘surrounded himself with henchmen of the calibre of Longfield Lloyd’ and all of whom had subsequently been promoted to the rank of Lieutenant Colonel. ‘Such an attitude’ he argued ‘placed self interest before duty’. Mawhood was highly critical of these appointments to which he suggested many had dubious political backgrounds of their own, a comment perhaps reflecting the involvement of army personnel with the aforementioned secret paramilitaries. What exactly they were up to he could not be sure, but he was ‘convinced from reliable and independent sources’ that an investigation into the antecedents of these men would ‘produce remarkable disclosures’. On this point, Mawhood made clear that ‘it should be borne in mind that these men at one time were active members of the New Guard’ (NAA: A 12383, A/2/1 Attachment 2). Because Mawhood had not been permitted to investigate Army Intelligence, he could not investigate and report fully on these allegations.

With regard to internal security measures, Mawhood found that there was ‘no controlled attempt at counter espionage’. In 1941, at the time of the inquiry, he noted there were five intelligence organisations in operation, ‘each of which was self contained and none would cooperate with the other. I would be
very surprised’ he added ‘if Military Intelligence could produce a list of enemy agents operating in Australia’. Mawhood then cited two specific cases of such ineptitude were evidence of foreign espionage had been discovered in Australia but had failed to be exploited or prosecuted. Moreover, he pointed to evidence that suggested the army had suppressed such information in order to cover up its own incompetence. The first case he noted regarded a visit to Australia by, Major Sie Hashida, an Officer of the Japanese Army Imperial General Staff, Political Branch, in January 1941.71

**An unguarded moment: Major Sieyure Hashida**

Major Sieyure [Sie] Hashida had toured Australia with the consent of the federal government on the provision of investigating wool, metals, and other industries in relation to Japanese military requirements (NAA: A 367, C65663). On 14 January 1941, the Japanese Consul General, Mr M. Akiyama, had assured Minster for External Affairs, Percy Spender, that Hashida was a member of the Japanese Department of Supply. The Australian government was not aware that he represented the Political Branch of the Japanese Army. During his visit Hashida had restrictions placed on where he could travel and what facilities he could inspect. Nevertheless, he was provided with ‘a map indicating the areas which from a security point of view it be inconvenient for him to visit’ thus, providing him with valuable information. Hashida accumulated a large amount

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71 It is possible that Mawhood raised the Hashida case as a criticism of both Alexander Duncan and William Mackay, because they had facilitated Hashida’s travel arrangements and kept him under surveillance but did not question or detain him. See translation of Hashida’s diary: 16 January, 7 February, 12 February and 21 February (NAA: A 367, C 65663).

of detailed information regarding Australian military infrastructure, troop strength, and topographical military maps. Despite being under constant surveillance by Military Intelligence and police during his three-month stay, Hashida left Australia in March 1941 without being questioned. Concerned about his treatment, the army wrote to Defence Minister, Percy Spender, suggesting that 'Hashida may leave Australia with a very bad impression of our courtesy and hospitality' (NAA: A 981, JAP 145).

On his return trip to Japan, Dutch authorities detained Hashida in Batavia, Netherlands East Indies. When his belongings were examined, Dutch officials found in his diaries clear evidence of intelligence gathering. It was only five months later, on 24 August 1941, that Dutch officials then informed the Australian Army that Hashida’s mission had ‘been one of espionage’. They further added that their investigations revealed that collecting military information only served part of his mission. His hidden purpose had been to ‘place the [Japanese] espionage system on a better footing, and to arrange for an extension of their activities’ in Australia. Despite having conducted surveillance on Hashida, the army, seemed oblivious to his espionage. Later it conceded that Military Intelligence ‘methods of shadowing suspects in Australia, based on this case, appear to be a subject of levity rather than efficiency’ (NAA: A 981, JAP 145).
**Publicising incompetence**

Mawhood cited another case of incompetence regarding the publicisation of intelligence material, which he described as ‘highlighting the irresponsibility of the man at the head of this Department [Military Intelligence]’ (NAA: A 12383, A/2/1 Attachment 2). On 13 October 1941, an article sponsored by Military Intelligence was published in *The Argus* newspaper. The article revealed much about the internal structure of Military Intelligence providing a fairly detailed account of each department and the functions it performed. Furthermore, the article identified methods whereby information could be obtained from open sources such as newspapers and journals that revealed the strength of the Australian Imperial Forces (AIF) abroad.

From newspapers and journal articles we were able to work out the entire details of the AIF abroad and the complete Australian battle order, the names and strengths of units in the Middle East even the names of the battalions and company commanders.

(*The Argus* 13 October 1941: 3)

In the article, Military Intelligence also attacked its counterpart organisation the Royal Australian Air Force (RAAF). Military Intelligence alleged that one million rounds of small arms ammunitions consigned to the RAAF had mysteriously disappeared (*The Argus* 13 October 1941: 3). Minister for Air, Arthur Drakeford, then ordered an investigation but found that no ammunition had ever been misplaced or stolen. Drakeford was then forced to publish a correction announcing the ‘miss-statement’ on behalf of Military Intelligence (*The Argus* 18 October 1941: 5). The episode highlights a crucial point. Military Intelligence had underestimated real threats to national security such as Major
Hashida and had then embarrassed itself by making inaccurate public statements about its counterpart service. Noting these cases, Mawhood suggested that they represent ‘the total lack of responsibility which permeates all Military Intelligence activities’. He added that Ministers had to suffer ‘public embarrassment on a number of occasions’ because intelligence officers were ‘oblivious’ to one of the fundamentals of intelligence work to “Be sure of your facts”’ (NAA: A 12383, A/2/1 Attachment 2, emphasis in original).

Based on these deficiencies Mawhood concluded that the security services had become little more than ‘financial and administrative burden. It had not’, he said, ‘advanced the Security of the Commonwealth in any degree whatsoever’. According to Mawhood, the Security Service had ‘started on the wrong foot’ because its Director General Longfield Lloyd was the wrong man for the position who had neither the ‘personality nor knowledge’ for the job. Moreover, his ‘whole attitude was hostile to all except the small army clique which he represented’. Mawhood recommended the nomination of a ‘neutral head’ to be appointed as Director General of Security in order to coordinate the civil and Military Intelligence organisations. He nominated Commander Rupert Long, Director of Naval Intelligence, for the position. ‘This move’ Mawhood suggested ‘would cut the ground from warring factions’ (NAA: A 12383, A/2/1 Attachment 2).
The conclusions reached by Mawhood show that at a time when Australian national security needed its intelligence agencies most, the agencies were in a state of atrophy. Their decline was due to forty years of inter-service rivalry, bureaucratic disorganisation, and lack of government direction. Many of these problems can, perhaps, be viewed as the long-term consequences of a highly politicised intelligence bureaucracy. Perhaps one of the main limitations of Mawhood’s report is that it implied Military Intelligence was completely incompetent rather than highlighting the maladministration of its activities. Indeed, this was from the outset the initial task of his investigation.

The Duncan report: An assessment

Alexander Duncan’s report was submitted to Cabinet on 7 January 1942. It was equally critical of the intelligence services but it had a different focus. Duncan’s report highlighted the shortcomings of the Commonwealth Investigation Branch of the Attorney Generals Department rather than Military Intelligence. From the start, Duncan noted that ‘personal interests and friction between certain Departments’ had hindered his investigation. In his view, such conditions had become intolerable and ‘retarded the development of the Security Service’, a situation, which he said ‘I am at a loss to explain’. As a result, Duncan was forced to qualify his findings by emphasising that ‘my investigations have been made rather difficult on account of this atmosphere’ (NAA: A 12383, A/2/1 Attachment 2).

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72 The federal government changed twice during the course of Duncan’s inquiry, first to the Fadden government on 29 August, and second, to the Curtin government on 7 October. This point is raised by Ball and Horner (1998) in *Breaking the Codes*, p. 25.
Duncan found that a lack of cooperation between the intelligence services and inter-service rivalries had become an almost pathological condition. His investigations uncovered thirty-seven instances of where the CIB, police, and Military Intelligence had investigated the same case. The result was unnecessary duplication and significant delay. In such cases, each agency had closely guarded crucial information and files were not passed on to the relevant departments. On other occasions, he noted that files had been endlessly passed around between departments because none of them actually wanted to take responsibility for making a decision. On the rare occasion when cooperation had occurred, he found that the assessments often produced contradictory findings. Duncan concluded that because of these shortcomings the intelligence services had never functioned as they were intended (NAA: A 12383, A/2/1 Attachment 2, see appendix A, B, C and D for the cases identified).

As for the Commonwealth Investigation Branch, Duncan could only offer a criticism of their reluctance to cooperate with his investigations. In light of this, he declined to make any firm recommendations on its future. He described the CIB as ‘not keen to cooperate’ and complained that he was not able to get any relevant information from the CIB’s Director, Harold Jones, nor from the Attorney General. This suggests that the Attorney General’s Department was keen to keep a tight hold on anything that might undermine its own intelligence service. As Duncan explained, ‘I had to ask many questions and nothing was volunteered’. In regard to his dealings with the CIB he wrote that ‘I have always been treated in an evasive or misleading way. This is in direct contrast to the
ready assistance and information supplied by all other Departments contacted’ (NAA: A 12383, A/2/1 Attachment 2).

Duncan’s report and subsequent recommendations caused more problems than they solved (Ball & Horner 1998). Although he did focus more on administrative reform, Duncan tended to view the role of intelligence as a police function. He recommended that State branches of the Security Service be abolished and replaced by the Chief of Police in each state. He argued that police investigators were the most suitable and best trained for conducting intelligence work. This, however, would have decentralised the national intelligence bureaucracy and possibly enhanced inefficiency. Moreover, it would have expanded intelligence into the realm of policing and prosecution, rather than collection and assessment of information to inform policy. Duncan’s views of intelligence as a police function are further evident in his recommendation of William John Mackay,73 NSW Police Commissioner, to the position of Director General of Security (NAA: A 12383, A/2/1 Attachment 2).

This recommendation was received with a good measure of criticism. For example, Longfield Lloyd disagreed that police should be an instrument of national security. He reminded Duncan that ‘the Commonwealth is responsible for security and defence’ adding that ‘State Police are not sufficient because they are not au fait with strategical [sic] conditions’ (NAA: MP 729/6, 15/403/76).

After reviewing Duncan’s findings Secretary of the Attorney General’s

Department, George Knowles, argued that, ‘Mr Duncan appears to have taken the army view of various controversial matters without investigating the other side’. Director of the Commonwealth Investigation Branch, Harold Jones, scrutinised the report pointing out that Duncan’s findings were ‘very misleading in many instances’ and on other matters ‘was ignorant of the facts’ (NAA: A 12383, A/2/1 Attachment 2).

Due to the vested political interests of various parties involved, the implementation of Duncan’s recommendations were further obstructed. Director of Military Intelligence, Colonel Caleb G. Roberts, for example, maintained there was no need for a Director General of Security. He preferred an organisational structure where the army would maintain full executive powers. Probably, this was because Roberts had misgivings about Duncan’s recommendation of appointing Police Commissioner, William Mackay, to the position of Director General of Security. On 4 March 1942, Roberts informed Lieutenant General Sturdee that Mackay was not a suitable candidate for the position. Sturdee then made his own recommendation to the Minister of Defence suggesting Brigadier Combes would be the most suitable appointment (NAA: MP 729/6, 15/403/76). As the infighting continued, the army applied further pressure on the government so that it could maintain control over the state security apparatus.

Amid the tumult surrounding the Mawhood and Duncan inquiries, John Charles Kevin, from the Department of the Army tended yet another report to government. He argued that the Security Services had ‘failed to go into the higher
fights’. Kevin suggested that the services had focused too much attention on ‘communists, Italians and refugees’ without giving enough attention to the ‘Nazi virus. No check’ on such cases he pointed out had ever been made. According to Kevin the intelligence services were focused on the wrong issue. ‘I start from the fact’ Kevin argued that:

(a) Not one enemy agent has been caught.
(b) Not one case of espionage has been uncovered in Australia.

From this it follows either:
(1) That Australia is free from espionage, or alternatively
(2) That enemy agents are active here but that our security system has failed to cope with them.

If (1) is true, then Australia is the only belligerent to have escaped the enemy's attention.

(NAA: MP 729/6, 15/403/199)

He went on to argue that it was highly unlikely that Australia had escaped penetration form enemy agents. ‘I believe there is an espionage ring in Australia directed by aliens, rightly or wrongly carrying “friendly passports”’ (NAA: MP 729/6, 15/403/199). Kevin recommended a centralised approach to intelligence and security coordination based on the British and American model. The ‘persistent habit’ of decentralising intelligence had resulted in over ‘expenditure and delays’ where each State Director had been preoccupied with ‘empire building’. A simplification of the security bureaucracy was essential to address these inefficiencies. Based on Kevin’s recommendations Minister for the Army, Frank Forde, wrote to the Attorney General, Herbert V. Evatt, on 5 March 1942, highlighting the merits of Kevin's proposal. Forde indicated that Duncan's recommendations ‘tended to maintain the existing complexity and, indeed, adds
to it’. This argument seems to have been accepted by Evatt who later agreed to Kevin’s proposal (NAA: MP 729/6, 15/403/199).

**The compromise**

The government now possessed an assortment of recommendations on how to improve the Security Service. The War Cabinet met on 9 March 1942, to address the issue. Forde opened the meeting by stating that ‘in view of our serious defence situation, time did not permit the implementation of the Duncan report’. The question of course becomes what had all this been in aid of? Forde recognised that, ‘security in Australia is at a low ebb. The organisations dealing with counter espionage are unwilling, slow moving and cumbersome’. He added that the current agencies were ‘altogether incapable of combating enemy activity’ and our own espionage capabilities were ‘non-existent. The only solution’ Forde said was ‘the *immediate* creation of an efficient, unhampered and quick moving organisation’ (NAA: A 2676, 1986; emphasis in original). Like many of the previous bureaucratic decisions, this was a compromise between the opposing factions.

The compromise, indeed, reflected the many views and vested political interests of each party involved. Some of the Duncan, Mawhood, and Kevin, recommendations were implemented although significantly diluted. The end result was more a reconstitution of the Security Service than an overhaul of its administration and effectiveness. The Security Service was revamped, rebadged, and creatively renamed the Commonwealth Security Service (CSS). On 17 March 1942, Forde informed NSW Police Commissioner Mackay, that he had been
selected as Director General of Security for a six-month provisional period. Longfield Lloyd was subsequently demoted to Director. The compromise attempted to satisfy all, but really satisfied none.

Mackay was provided with a charter of his requirements and responsibilities, which outlined that civil security was to be the responsibility of the Attorney General, however, in his absence the Minister for Army was then permitted to take over control on his behalf. The framework for the organisation was to be designed by Mackay but approved by the Minister for the Army, as were all nominations of principal senior staff. Here it would seem that the army and its Minister would attempt to maintain control over who was appointed to senior security positions. Other personnel for the revamped Service were to be absorbed from the navy, army, air force, and the United States fighting services. In a striking move, however, Cabinet did take notice of Kevin's recommendation regarding international cooperation. On 2 April 1942, the overseas connection was formally established when Cabinet decided that there would now be representatives of MI5, and the Federal Bureau of Investigation (FBI) attached to Security Service Headquarters (NAA: MP 729/6, 15/403/199). Thus, the American connection to Australian civil intelligence organisations had been cemented.

The administration of the Commonwealth Security Service was confounded by further obstructionism and continued bureaucratic rivalries. Mackay continued to urge for a decentralised intelligence service. He wanted all State Commissioners of Police to be appointed as Deputy Directors of Security.
This would have given Police Commissioners a large amount of autonomy, but also would have moved the police into the field of national security (Lamidey 1970 50). Moreover, this directly contradicted the Defence Minister’s plans to maintain some control over who was appointed to senior positions. The military also disputed this arrangement. Director of Naval Intelligence, Rupert Long, appropriately argued that if Security was placed in the hands of police ‘an unscrupulous government could impose Gestapo-style control over the country’. Forde ultimately agreed with Long. ‘I cannot agree with this [MacKay’s] interpretation of my ruling’ he informed MacKay on 9 April 1942. ‘State representatives of the Director General were to be federal officers not State Commissioners of Police... I am attaching to this letter a diagram showing the positions as I desire it’ (NAA: A 12383, A/2/1 Attachment 2).

Mackay quarrelled with Forde about where the Service’s headquarters should be located. Mackay had proposed Sydney, whereas Forde argued for Canberra — ultimately Forde had his way (Ball & Horner 1998: 34). Problems continued between the Attorney General and the Defence Department over budget allocations and use of personnel for the Security Service. ‘My own view is that the recent reorganisation of the security service was on too expansive and too expensive a scale’, Evatt informed Forde on 24 August 1942. In turn, Evatt probably on the advice of Sir George Knowles, halved the budget for the security service from £250,000 to £100 000 (NAA: MP 729/6, 15/403/199). Such a move can only be viewed as a deliberate bottleneck designed to obstruct operations and hamstring the ability to employ appropriate staff. Mackay was effectively being thwarted through bureaucratic obstructionism.
When Mackay was listed as the *Acting* Director General of Security in the *Government Gazette* he became infuriated with what he described as Knowles’ ‘tactics of irritation and interference in matters of the Security Service’. On 22 May 1942, Mackay lodged a formal complaint with the Minister for the Army regarding his treatment. Mackay complained that this was the result of ‘the recurrence of a personal feud which is most galling to me and particularly disturbing to my contentment’. He ended the letter by saying that ‘I am satisfied that it is impossible for me to work in conjunction with Sir George Knowles’. Knowles was forced to correct the publication in the Gazette but said he ‘resented the suggestion that this is due to a personal feud on my part’ (NAA: MP 508/1, 175/701/1646).

In the end, MacKay found his position as Director General of Security untenable. When his six-month term expired on 21 September 1942, he announced that he would not seek reappointment. Only two days later, Brigadier William Simpson, an officer of the Australian Imperial Forces, assumed the position of Director General of Security (Ball & Horner 1998: 35). The military would now maintain control over the Security Service. Under Simpson’s leadership, the intelligence services largely returned to their preoccupation with surveillance of communists, their affiliated associations, and the ‘ethnic left’.74

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74 One implication to be drawn from the Security Service’s preoccupation with monitoring communist and subversive groups in the community is that very little attention was placed on vetting employees of the government and the Security Services. Justice Hope, noted in his Fourth Report of the Royal Commission on Intelligence and Security (1977) that between 1943 and 1954 Soviet intelligence agents operating in Australia had successfully acquired classified information. Likewise, the Petrov Report also noted that security arrangements in the...
This pattern remained until after the end of World War Two when another inquiry into the intelligence services (the Pinner Committee) recommended the CSS merge with the CIB into a new body named the Commonwealth Investigation Service (Templeton 1979: 242–243; Cain 1983: 294).

With the establishment of the CSS in October 1945, Longfield Lloyd was appointed Director General of Security. He remained in this position until he was replaced in 1949 by Brigadier (later Sir) Charles Spry formerly Director of Military Intelligence at Army Headquarters. Spry would then go on to head the Australian Security Intelligence Organisation (ASIO) in 1950 (Coulthard-Clark 1979 b: 27; Cain 1983: 293). It appears that the military, or more specifically the army, had won the drawn out battle to maintain control over the intelligence bureaucracy and internal security. The rules had been established — intelligence and security was a matter to be handled by the military. Despite all the political manoeuvring, persistent conflict, and exorbitant costs over the administration of the services very little had been achieved. The efficacy of the intelligence services remained largely the same as it had been in 1940.

Department of External Affairs were particularly inadequate (Royal Commission on Intelligence and Security 1977, Volume 1: 21–22).

75 Charles C.F. Spry was not appointed Director General of ASIO until 6 July 1950 (Templeton 1979: 364).
Conclusion and preliminary findings

Some conclusions can be drawn from the events discussed in the preceding chapter. Each form of politicisation that has been described can be considered to have several different causes and conditions. This section of the chapter will focus on presenting a preliminary analysis of three conditions of politicisation derived from the empirical evidence.

The first condition identified is the subtle intervention of an apparent apolitical body, such as the military, to shape the political affairs of government. In this sense, the Mawhood and Duncan inquiries constituted a clear example of soft politicisation. Senior public servants, such as military commanders, indirectly manipulated a formal governmental inquiry by shaping the rules, setting and parameters of the investigation so that it would deliver a convenient result. To some degree, this also reflected an increasing tendency of the administrative bureaucracy to slowly creep into the political sphere of government. Undoubtedly, the lack of any clear policy direction on behalf of the government fostered these developments. All parties were, however, active participants searching for a means of influencing the inquiries for their own benefit. Little was achieved to advance the administration of the Security Service. Recommendations were a compromise of views and only partially implemented. To some extent, each party involved must share responsibility for this outcome.
In this context, soft politicisation might be understood as an embedded condition contained within the relationship between policy-makers and public servants at this time. This extended to both Duncan and Mawhood who, when they entered the administrative system, became subject to this pressure. Yet, it is still difficult to judge exactly why the government chose each of these appointments. It is equally difficult to conclude that Mawhood was appointed to investigate the Security Service based on the merits of his abilities. This is especially the case given Britain’s recommendation not to use Mawhood for such an investigation. There are two possible explanations as to why this occurred. First, both Mawhood and Duncan were malleable and could be relied upon to conform to the desires of their political masters. Second, as Jacqueline Templeton has pointed out, both Mawhood and Duncan were being used as ‘weapons of attack’ to represent the views of the respective political sponsors (Templeton 1979: 186). They became an instrument of partisan politics and representative of certain political views. In either case, this points to a form of political favouritism and soft politicisation as outlined earlier by Glen Hastedt — an attempt to shape the rules and settings of the inquiries that would favour a certain outcome. It is also apparent that elements of politicisation by appointment, a theme outlined in the previous chapter, are evident in the appointment of Mawhood and Duncan.

The most stunning aspect of the inquiries is how influenced they were by an ingrained culture of inter-service rivalry. Addressing the maladministration of the intelligence services became subordinate to achieving political goals. This is surprising given that Military Intelligence should serve the interests of
government and not their own political objectives. It is perhaps safe to argue that the military exerted a significant amount of political pressure on the government not to allow Mawhood or Duncan to investigate their intelligence operations. As this chapter has described, such actions would probably have revealed a close association between the military and a number of secret paramilitary organisations. Overall, while the Mawhood and Duncan inquiries may not strictly be the politicisation of an intelligence product, an analysis of these cases reveals wider implications.

Military Intelligence, and more specifically Army Intelligence, had assumed almost complete autonomy to conduct operations free from government intervention. Over time, a culture of autonomy had developed which had a negative impact on their willingness to be subservient to political direction. When conditions were imposed to restrain this autonomy the army pushed back to protect their interests. In this context, the politicisation that occurred can be seen as a result of a wider culture of weak administrative control and oversight. It is a clear example of administrative politicisation or what Rovner refers to as bureaucratic parochialism (Rovner 2011: 207).

The lack of any clear policy direction from the government almost certainly exacerbated this problem. As a result of policy neglect, the intelligence services were free to serve either the interest of their directors, or alternatively, the politics of their masters. The intelligence services thereby became intensely personalised organisations. The legacy of this problem can be dated back to 1901, which carried on unabated throughout the Second World War. Mawhood
and Duncan called for vigorous organisational solutions to improve policy direction and coordination of the intelligence bureaucracy. However, each solution they proposed was largely politically expedient. Although their recommendations were not totally rejected, they were only partially implemented. Reform was only acceptable if it conformed to the partisan interests of each party concerned. It seems reasonable to conclude that the longer the intelligence services operated without any clear policy direction, the more attached they became to the objectives of their political masters and free to serve their self-interests. This opened the door for politicisation to occur — a condition that would remain for years to come.

Considering these findings, it appears that the intelligence function became little more than a political weapon serving the interests of those who controlled or ran the agencies. Political advantage was sought at every opportunity to maintain this control. The collective effect of these circumstances impeded objectivity and political neutrality giving rise to politicisation. It seems reasonable to suggest that because of the lack of policy direction the intelligence community did not serve the national interest through informing policy development, or the protection of society through security, but rather it served the political interests of its patrons. Although the Mawhood and Duncan inquiry was intended to address these issues they were not fully resolved.

What can be seen throughout the inquiries is an attempt on the part of both the military and the government to reassert control over their personal intelligence fiefdoms, while they were undergoing change. This was potentially
at the cost of good decision-making. In the end very little was achieved and intelligence returned to its focus on left wing groups while devoting relatively minor attention to those groups associated with right wing politics.

The institutional culture of autonomy that had been allowed to develop within military intelligence made it averse to collegiality and administrative reform. It sought to protect its own interests. This resulted in the army flexing its political muscle and exerting pressure on the government. This is also evident in the events surrounding the Bruche inquiry. Although there is little conclusive evidence to link the military with the New Guard, there is fairly substantial circumstantial evidence to show that a number of senior military officers were involved with secret paramilitary armies. A deliberate effort was made to conceal this information for parochial interests rather than national interests.

For example, what began as a Royal Commission to investigate allegations of collusion between the New Guard and the military quickly became an internal investigation. This suggests elements within the army were concerned with what Mawhood’s inquiry might reveal. That the army was charged with investigating itself during the Bruche inquiry also raises important questions regarding the independence of the investigation. The allegations Bruche was charged with investigating were never rigorously probed or independently scrutinised. Moreover, his conclusions were so anodyne that nothing damaging to the army was presented. Important questions were purposefully left unasked.
It may be too simple, however, to overplay the role of the army in obstructing and politicising the government inquiries under discussion. These considerations must be balanced with conditions also imposed by the government. That the army was unsuccessful in completely shutting down Mawhood’s investigations suggests that he enjoyed a certain amount of political protection from the Australian government. This favouritism likely stemmed from Attorney General William Hughes and his secretary Sir George Knowles. Hughes had argued, perhaps quite rightly, that the army was biased against Mawhood from the outset (Cain 1983: 285). But official documents indicate that Hughes was also attempting to shape the political agenda. This is made clear in a statement by, Sir George Knowles, which reveals Hughes had no intention of relying on the findings of the Duncan report. Archival documents show that Hughes had informed Mawhood before he began his inquiry that ‘if in any respect, Mawhood disagreed with Duncan’s views he (Mawhood) should submit direct to him a separate report thereon’ (NAA: MP 729/6, 29/401/477). It is likely that Hughes knew exactly what Mawhood would find. In other words, the Mawhood findings would provide a justification for Hughes policy desires.

Perhaps the message to be drawn from these events is that the Mawhood and Duncan inquiries took place in a divisive political atmosphere. They were never intended to be independent and objective investigations of the intelligence services probing their maladministration and recommending adjustments. Rather, they were the projection of parochial political attitudes and vested interests — a means of political point scoring. Ultimately, what might be concluded from these events is that such vested political interests resulted in
politicising the inquiries, which only worked against improving the design and administration of the intelligence services. Politicisation fostered inefficiency and exacerbated tension between departments.

On the basis of the findings presented in the case under discussion, it becomes apparent that policy-makers, the military, senior bureaucrats, and the intelligence services, were all motivated by parochial considerations and intentions. The most predominant factor is that each sought to protect their own interests, expand their own autonomy, and achieve certain partisan goals. The goal of policy-makers seems to have been to attain civil control over the intelligence function. This can be contrasted against the military’s desire to keep its own foothold in conducting intelligence operations within the civil sphere, and to conceal its associations with secret paramilitary groups. Mawhood appears to have served the interests of policy-makers, while Duncan and Kevin seem to have served the interests of the military. From this perspective the struggle was over who would control and shape domestic polices regarding intelligence. Ultimately these actions were motivated by politics and resulted in politicisation rather than administrative reform. In the end, very little was achieved to advance the security of the country. A culture of politicisation had become manifest and ingrained. Many of the improprieties that beset the Australian Intelligence Community during World War Two would remain unresolved. As the next chapter shows, the legacy of these improprieties would be the inheritance of the intelligence community throughout the Cold War.
Chapter Five

Red revelations: ASIO and the Australian Parliament

(1949–1972)

Lionel Murphy: Can you see any dangers in a Minister like the Attorney General, having complete control, final control of a security intelligence organisation?

Senator McLelland: Not at all.76

Introduction

The previous chapter identified that a lack of political control over the Australian intelligence services led to their politicisation during the Second World War. This chapter argues that the opposite occurred during the first half of the Cold War (1949–1972) when partisan political interests dominated the relationship between the Australian intelligence services and the federal government. This chapter will show that prime ministers, ministers, and parliamentarians, requested and received intelligence material that was then used to support and justify their own political goals. On several occasions, secret intelligence material found its way into parliamentary speeches and political debates. Here intelligence was used as a substitute for reasoned political argument. Moreover, intelligence material became a partisan weapon used to smear political opposition and to substantiate the alleged subversive nature of

76 Transcript of interview, This Day Tonight, 19 March 1973, Fraser Papers M 2007.0019, Box 2.
communism, the anti-war movement, and political dissent in general. The following chapter identifies that senior staff of the Australian Security Intelligence Organisation (ASIO) rather than being wilfully complicit often resisted the practice but their resistance was largely ineffectual. The aim of this chapter is to offer an analysis of how the political use of intelligence in parliamentary debates was enabled, why ASIO resistance was ineffective, and then to explain how this resulted in politicisation.

**Accountability and control, matters**

On 2 March 1949, Prime Minister Joseph (Ben) Chifley announced the creation of the Australian Security Intelligence Organisation. The organisation was born in an atmosphere of Cold War, which to many Western states generated a firm conviction that communism was a threat to national security. Archival documents show that ASIO’s creation was, indeed, a response to fears, — both real and imagined — that communists had penetrated the Australian public service, which thereby threatened defence and security relations with allied countries such as the United States and Great Britain (NA: KV/4/450; KV/4/451; KV/4/452). Thus, as some contend, it appears that ASIO’s purpose was to pursue communists (Cain 2009: 134). Given the potential for an anti-left wing bias Prime Minister Chifley appointed Supreme Court Judge Justice

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77 This is not to suggest that Communism, and elements of the peace movement, were not a legitimate security concern. There is little doubt that such groups often exploited their right to dissent as a political strategy and tactic to destabilise the government. The point is rather to show that political leaders used intelligence in public speeches for partisan political advantage. This was done by publicly smearing reputations and by linking dissent with subversion, it was not done to enhance national security. Such a tactic was politically advantageous for the government because it brought into question the legitimacy and motivations of those who opposed government policies.
Geoffrey Reed 78 as Director General of Security to avoid such a possibility. The understanding that ASIO should maintain a standard of non-partisanship was clearly stated in a ten–point Directive titled ‘the establishment and maintenance of a security service’ which Chifley issued to Reed only days later. Point six of that directive is particularly relevant in the context of this chapter. It reads in part:

It is essential that the Security Service should be kept absolutely free from any political bias or influence and nothing should be done that might lend colour to any suggestion that it is concerned with the interests of any particular section of the community, or with any matters other than the defence of the Commonwealth. You will impress upon your staff that they have no connection whatever with any matters of a party political character and they must avoid any action which could be so construed.

(NAA: A 7452, A 48)

The directives given to Reed were intended to ensure that the political views of ASIO personnel would not colour their analysis, and its domestic security function would not serve any specific partisan political interests, and, as a consequence void the edict of political neutrality. For the most part, at least in the period under discussion, evidence indicates that ASIO’s political masters did not strictly abide by this principle. On several occasions intelligence advice was misappropriated for political gain and the practice of using intelligence information as a means of vindicating and justifying political arguments became normalised.

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78 Justice Geoffrey Sandalford Reed was Director General of ASIO from March 1949 to June 1950.
Indeed, using intelligence advice to substantiate a political argument can be a real temptation for politicians when seeking to persuade an audience. A number of scholars have observed that this not only results in politicising the debate but also the intelligence organisation itself. For example, Rovner's study of politicised intelligence in the United States suggests that using intelligence to persuade an audience tends to create a perception that intelligence agencies are aligned with the policy objectives of certain political parties or politicians (Rovner 2008: 396). That is, the perceived objectivity or political neutrality of an intelligence organisation is diminished when political leaders publicly use secret intelligence to support or justify a policy positions.

British historian Ken Robertson tends to support this idea. He argues that ‘bringing intelligence into current political debates has the result of politicising the intelligence service in a way that is undesirable’. According to Robertson, this is because the mantel of political independence is removed and intelligence becomes part of a public process for creating policy consensus (Robertson 1987: 267). Academic literature on this subject offers various recommendations for dealing with the problem most of which centres on maintaining a balance between ministerial control and agency autonomy. In short, getting the balance right matters.

For example, British historian, Ian Leigh, acknowledges there is a clear need to balance accountability with control. Leigh, however, recognises that accountability and control also bring two opposing dangers. Either too much or too little control can result in politicisation. He identified that political leaders
who exert too much control over an intelligence service might be tempted to abuse the extensive capabilities of intelligence organisations to serve a domestic party political agenda. On the other hand, Leigh identified that too little ministerial control could result in an intelligence service becoming ‘a law unto themself’. His response was to recommend a framework of well-calibrated accountability mechanisms that insulate intelligence organisations from political abuse without isolating them from executive governance (Leigh 2005: 6). Such findings point out that there is a delicate balance between ensuring proper governmental control of an intelligence service without opening the service up to the possibility of political manipulation.

While this theme is reflected within the Australian context, the academic literature on the topic is somewhat contentious. Jennifer Hocking’s (2004) Terror Laws for instance briefly examined the issue of ministerial control and accountability of ASIO. Hocking argues that ‘sweeping exemptions from ministerial control’ allowed ASIO to influence aspects of government policy that were not within their legitimate domain (Hocking 2004: 53). Frank Cain (1994) took a similar position. He analysed several instances of what he called ASIO’s ‘corporate independence’ concluding that, to a large extent such malpractice resulted from a lack of government supervision (Cain 1994: 214).

Perhaps the most thorough account of how issues pertaining to accountability and control can result in politicisation is David McKnight’s (2008) excellent article on ASIO government relations entitled ‘Partisan Improprieties: Ministerial Control and Australia’s Security Agencies’. McKnight acknowledges
the twin dangers of control and accountability but arrives at a different conclusion to Hocking and Cain. He points out that if an intelligence organisation is given too much autonomy it runs the risk of developing its own agenda, whereas an organisation with excessive ministerial control can drive it in the direction of the governing party’s partisan interests (McKnight 2008a: 708). The most significant finding of McKnight’s research indicates that the latter, too much political control was the primary cause of politicisation within the timeframe of his study (McKnight 2008a: 721). While McKnight describes in detail various aspects of when ASIO intelligence material was by used by politicians for political gain, some elements were left untreated. The elements not treated by McKnight are discussed here in more detail and constitute in the following chapter.

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Robert Menzies (1946 – 1951)

In 1946, as Leader of the Opposition, Robert Menzies argued that ‘we must be extremely reluctant to put a ban on the Communist Party. The Communist Party must be brought into the open and met by strength of argument against it’ (Sydney Morning Herald 18 February 1946: 4). By 1949, his attitude had changed. During the federal election campaign of that year Menzies drew on the anti-communist rhetoric of the period to great effect. ‘Our attitude has been one of great tolerance’ he stated in an opposition policy speech delivered in November 1949. ‘The day has gone by for treating communism as a legitimate political philosophy. The communist’s are the most unscrupulous
opponents of religion, of civilised government, of law and order, of national security’. He then proudly declared that ‘if elected we shall outlaw it’ (Menzies 1949: 14–15). Menzies was elected, and he proceeded to outlaw the Communist Party of Australia. Having made clear his policy commitment, Menzies required hard evidence to ensure public support for it. This required information, and the government turned to the newly established intelligence service — ASIO — to get it.

On 27 March 1950, during the preparation of the Communist Party Dissolution Bill, Solicitor General Kenneth Baily informed the Director General of ASIO Justice Geoffrey Reed that ‘the government desires information with regard to certain persons who are alleged to be leading communists’. Bailey explained that the information was of great urgency and he told Reed that the ‘utility of the information, from the governments point of view, depends on its availability by 12 April at least’. Baily sent ASIO a list of fifty-three persons suspected to be current members of the Central Executive of the Australian Communist Party, which also included the names of fourteen Trade Union leaders. He then asked ASIO to check the life history of these persons, provide evidence of their membership in the CPA, and to detail their subversive activity (NAA: M 1509, 7).

79 It is possible that the Commonwealth Investigation Service obtained this list when it raided Communist Party premises in Sydney during July 1949. These documents were then later passed to ASIO after it was established, see: Swan, B, ‘History of ASIO Volume 1’ NAA: A 6122, 2022, National Archives page: 112.
Director General Reed responded to the request on 1 March 1950. He first provided a detailed eleven-page assessment outlining the CPA’s influence on the trade union movement. Reed claimed that there was a great deal of evidence to show that the most important organisational task of the CPA, throughout the world, was total control of the trade unions. The ASIO dossier identified that eleven members of the Communist Party’s Central Committee are Australian trade union officials. Accompanying the ASIO dossier Reed also attached a twenty-five-page list identifying scores of people as communists who occupied high positions in various trade unions throughout the country. This list was precisely what the government sought and it was passed onto Menzies on 13 March 1950 (NAA: A 6122, 1428).

On 27 April 1950, Menzies stood before the House of Representatives to deliver the second reading of a Bill that would outlaw and dissolve the Communist Party of Australia. In this speech Menzies drew on the intelligence ASIO had earlier provided to underscore the influence the Communist Party had in the trade union movement. He declared to the House that ‘the importance of the Australian Communist is not numerical but positional. It is the position he holds that counts’. Menzies then proceeded to expose them: ‘let us have a look at their names’ he suggested, ‘and jobs they hold in order to see how this comparatively small handful of men have gotten into positions from which they can do damage to this great and beloved country of ours’ (House of Representatives, 27 April 1950: 1996–7).

The Communist Party Dissolution Bill was passed on 19 October 1950, but after a challenge by several unions, the Act was subsequently declared unconstitutional by the High Court in March 1951.
During the reading of the Bill, Menzies read the names of fifty-three trade union officials connected to the CPA into the official *Hansard* and aloud to the House. All of this information was taken from the dossier ASIO prepared on 1 March 1950 (NAA: M 1509, 7). While the preparation of the document can be defended as within the prerogatives and duties of ASIO to inform the government on security matters, it was the way in which the information was used by the government to justify the necessity of a policy decision that intelligence was misused for a political purpose. In this case, the problem was that Menzies invoked intelligence as a potent justification for the dissolution of the CPA by using it to substantiate connections between communism and the trade unions. The intention was clearly to use the imprimatur of intelligence as a tool of influence to reinforce the legitimacy and necessity of the Communist Dissolution Bill.

However, the information Menzies cited on trade union officials was for the most part erroneous. While certainly embarrassing for the government this also reflected badly on ASIO. To the delight of the opposition, Menzies was forced to correct much of his statement. Only days later on 9 May, he told the House that some of the names quoted were not members of the Communist Party at all. Suspicious of how such detailed information could have been obtained, the opposition proceeded to press Menzies for an explanation. John Rosevear, Federal Member for Dally, asked whether the Prime Minister got the information from the Security Service? ‘If so’ Rosevear inquired, ‘will he have that

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81 The document containing the list of Trade Union Officials is contained in National Archives of Australia File NAA: M 1509,7 entitled: Australian Communist Party: Influence in the Trade Union Movement – Appendix, held in Canberra.
organisation overhauled as it may quite conceivably make the same mistake in the future’. Menzies replied that he would not disclose his sources of information (House of Representatives, 9 May 1950: 2242).

The episode immediately cast doubt over ASIO’s credibility and political neutrality, however, on 23 May 1950, ASIO’s Director General made his feelings clear. Reed informed Bailey that the information ASIO had supplied was never intended to be put to such a public purpose. He said that:

> It may be pointed out that when a copy of the [ASIO] Bulletin was handed over it was not anticipated that it would be used for any other purpose than to inform the Minister to whom it was delivered of what ASIO considered to be the extent of influence of the Communist Party on the Trade Union Movement.

(NAA: A 6122, 1428)

These events highlight two important factors regarding the use of intelligence in political debate. One, the government could demand from their intelligence services detailed information on private citizens which could in turn be used in parliament to denigrate those persons. The problem was that when this information was aired in public it implied that ASIO supported the government’s political agenda. But as Director General Reed pointed out, there was never any intention that ASIO’s information should be used for such a political purpose. This raises a second point regarding the political use of intelligence information. The incumbent government did not need to explain how, or from where the information was obtained. From the opposition’s point of view, this had clear partisan intentions. Those privileged with access to the intelligence information could now use it to smear their political foe but the
veracity of such information could neither be substantiated nor evaluated by the Opposition.\textsuperscript{82}

These circumstances made it almost impossible to establish a trustful relationship between the government and the opposition in regard to the intelligence function. Similarly, the accused had no right of reply. The use of intelligence under such conditions was essentially a means of immobilising political opposition. Consequently rather than solidifying the necessity of banning the Communist Party this event probably confirmed to the opposition, and possibly the wider community, the underhanded tactics the government was prepared to use to get the legislation passed. It is not surprising that although the Communist Dissolution Bill was passed in October 1950, it was immediately challenged in the High Court by several trade unions. The Act was subsequently declared unconstitutional in March 1951.

\textsuperscript{82} Legislation requiring the Director General of ASIO to formally brief the Leaders of the Opposition on security matters was not enacted until the \textit{Australian Security Intelligence} Act was amended in 1979. A later Director General of ASIO, Harvey Barnett, described these amendments to the Act as ‘the most enlightened and important...development of a true bi-partisanship in intelligence matters’ which brought Australia into line with most other democracies (Barnett 1988:105). For further information see Frank Cain 1994: 262; and \textit{Australian Security Intelligence Act} 1979 (Cwth) part 3 (21) Function and Powers.

Charles Spry explained in 1961 that prior to his appointment as Director General, ASIO did not consult the Leader of the Opposition at all. He noted that during his tenure consultation with the Leader of the Opposition only occurred sporadically, and was cut off altogether during the Petrov affair in 1954. In 1960, Leader of the Opposition, Arthur Calwell, indicated that he would like to have some consultation with ASIO (NAA: A 6122, 2429 - Advice to the Leader of the Opposition, Appendix A, 16 May 1961). Calwell met with Spry and the Assistant Director of ASIO briefly on several occasions throughout 1960, but it was not until five years later that he formally met with Spry on 5 May 1965. At this meeting, Calwell received a briefing on Croatian activities in Australia, Soviet espionage and information regarding the Communist affiliations of Labor Party members (NAA: A 6122, 2163). Calwell’s successor, Gough Whitlam, claimed he was not briefed on ASIO until after he became Prime Minister in 1972 (Whitlam 1985: 166).
Overall, the newly created ASIO emerged with the reputation of a partisan organisation and a cloud over it credibility. Perhaps, one of the most important consequences to arise from these events was that Menzies had unwittingly established a precedent for using intelligence as a means of political point scoring. The vestiges of this precedent appear throughout the Liberal Party's twenty-three year term in office.


Some members of the Menzies government took his precedent to the extreme. Among the leading Cold War anti-communists of the time was the Federal Member for Mackellar, and later Minister for Social Services, William Charles Wentworth. An examination of his case is of more than anecdotal importance — it is significant for several reasons. One, it identifies a unique location from which politicisation can originate. In other words, the case is instructive because it shows that the source of politicisation is not always the exclusive province of the executive. The implications that flow from the Wentworth case demonstrate that less influential members of parliament can exert an equally significant force in politicising intelligence. Additionally, the case demonstrates how a Member of Parliament had unrestricted access to the resources of the intelligence service, which he then put to political use. Overall, the case highlights that during the period under discussion there were very few protocols in place to limit the possibility of politicisation occurring.

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For over a twenty-year period Wentworth requested and received numerous ASIO intelligence files (Clohesy 2009: 121). He used this information to denounce his personal critics, expose political dissenters and chastise those who held unconventional views. Through an examination of archival material and secondary sources it becomes clear that Wentworth had no scruples with using ASIO resources as a means of publicly exposing the ‘subversive’ red thread of communism. For example, in July 1950, when Wentworth first entered federal politics he sought personal access to ASIO’s security library to examine files relating to communist publications. Menzies quite rightly refused this request on the grounds that members of parliament need not concern themselves with such matters, and perhaps because such an action may undermine the Director-General of Security (McLean 2001: 191). Wentworth, however, continued to push for a mechanism to expose communists.

In August 1950, Wentworth argued that ASIO should provide Members of the House of Representatives with an index listing publications and people associated with communism in Australia so that it could be put to public use. But Director General of Security, Charles Spry, considered this idea ‘an impossibility’. Spry remarked that such an enterprise would not only ‘be completely beyond our resources’ but also ‘outside of my charter’. According to Spry, Wentworth’s proposal was both unacceptable and unworkable. ‘From the perspective of ASIO the public dissemination of information by it is contrary to the very purpose of the organisation’. ASIO files ‘contain information which could not be provided for
public perusal’ (NAA: A 1209, 1957/4892). But Wentworth persisted with the proposal and he raised it again in October 1956. During the second reading of the ASIO Act 1956 (Cwlth), Wentworth argued to the House of Representatives that ASIO could provide a list of references identifying people associated with communism which should be made available to parliamentarians, the press, and the public to help fight against communist propaganda (House of Representatives 31 October – 1 November 1956: 2046–7). But the idea was again rejected. Not to be deterred, Wentworth continued to demand intelligence material from ASIO, and on a number of occasions he was successful.

Throughout the 1950s, Wentworth continued to request and obtain a wide range of intelligence information. To identify only a small portion, such requests included: information pertaining to the membership and affiliations of the Australia China Society and the National Welfare Fund, information regarding the names and affiliations of people connected to the Federation of Women Shoppers through to the names of recipients of the Commonwealth Literary Fund (Herein CLF) (NAA: A 432, 1956/2196). On one occasion, when Wentworth publicly exposed a scholarship recipient of the CLF in the Sydney Morning Herald as, ‘not only a member of the Communist Party... but one of its leading operatives’ the accused brought a libel case against him (Sydney Morning Herald). The accused was Katherine Susannah Pritchard, a founding member of the CPA. Pritchard was known to be a member of the KLOD group identified in the Venona...
Morning Herald 10 September 1952:2). That people may have been communists appears to have been an automatic indicator of their subversive behaviour. Moreover, that such people were not guilty of any specific crime seems to have been of little concern to Wentworth.

Even at this early stage, Wentworth’s demands on ASIO resources had started to concern Director General Charles Spry.87 ‘I have recently given some thought to the numbers and types of letters received from Mr Wentworth’, Spry wrote to Attorney General, J. A. Spicer, in March 1953. Wentworth’s requests ‘amounted to a fairly formidable number — about 30 in the last twelve months — of which 12 contain specific requests for information on security matters’ (NAA: A 6119, 500). The requested information that most concerned Spry were files pertaining to private individuals.

‘Mr Wentworth’s reasons for requiring the information’ Spry informed the Attorney General, ‘are in most cases either personal or political’. Aware of the implications, Spry reminded the Attorney General that ‘ASIO is completely non-political and we pride ourselves on such. The requests for information from Mr Wentworth are making me very uneasy’. Exactly what Wentworth was doing with the information disturbed Spry. He explained that Wentworth did not always ‘come clean’ as to why he wanted the information and was prone to ‘outrageous conclusions from very small inferences. I have felt more and more

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87 Charles Spry (Later Sir) was Director General of ASIO from July 1950 to January 1970.
disturbed at the possibilities’ said Spry. The Attorney General tended to agree, remarking that he would inform Wentworth that he would not be receiving any further information unless he could supply a very good reason (NAA: A 6119, 500). On the contrary, archival documents show that Wentworth continued to pressure ASIO to deliver intelligence of a political nature to him.

As a backbench member of parliament, Wentworth held no national security responsibilities. Nonetheless, the quantity of intelligence he requested and received on such matters was formidable. It not only included matters regarding the communist affiliations of private citizens but also extended to information regarding the communist connections of private businesses. For example, in December 1953, Wentworth asked that the Attorney General obtain information from ASIO regarding the constitution of the CPA. On 4 January 1954, ASIO supplied him with six copies. The dossier given to Wentworth also included briefing notes on the organisation compiled by ASIO and the various correspondences of its members. Later in November 1956, Wentworth again approached Attorney General, Neil O’Sullivan, to request that ASIO inquire into the League of Women Voters, merely because he believed, ‘there may possibly be some communist connection here’ (NAA: A 432, 1956/2196).

On the morning of 13 October 1958, Wentworth phoned the Attorney General with what he described as an urgent inquiry for information on Roland Thorp, Professor of Pharmacology at the University of Sydney. At the time, Thorp was standing as a candidate for the University Senate. Wentworth believed he had a number of ‘Communist Party affiliations’ and was an associate of Professor
Milgate whom Wentworth also alleged was a communist. Wentworth wanted ASIO to verify these connections demanding to know ‘what can be done about it?’ He suggested that ‘steps should be taken to alert the people concerned’ (NAA: A 6119,498). ASIO did comply with Wentworth’s request, but Spry reported that Thorp was already the subject of a security file. His signature had been detected among three hundred and fifty Australian scientists who had called on the Menzies government to ban nuclear weapons testing earlier in 1958. But ASIO had already vetted Thorp when he applied for a UNESCO position in Pakistan, and he was given a security clearance on that occasion, and regarding Wentworth’s inquiry, Spry replied curtly that ‘we have no evidence of communist affiliations on the part of Professor Thorp’ (NAA: A 6119,498).

Later on 10 October, Wentworth again wrote to the Attorney General Neil O’Sullivan seeking ASIO’s assistance. He wanted information regarding Mr William John Latona, the Joint Secretary of the Peace Congress, and a member of Wentworth’s electorate. Wentworth stated in the letter that ‘Latona is mixed up with a number of peace movements’ and he wanted to know if he had any ‘communist connections’. Spry replied on 27 October 1958, confirming that Latona ‘has been an active member of various peace associations since at least 1950’. In carrying out these activities, Spry noted that ‘he has of course associated with members of the Communist Party of Australia’. However, Spry emphasised that ‘Latona is a genuine pacifist with no sympathy for communism’ (NAA: A 432, 1956/2196). The above case represents only a small portion of Wentworth’s requests to ASIO during this time but the pattern continued unabated for another decade.
ASIO pushes back — ‘I can not supply the information requested’

Correspondence between Director General Spry and Attorney General Neil O’Sullivan shows that Spry had again started to push back against Wentworth’s demands. Spry was keen to impress on the Attorney General that Wentworth was not at this time a government minister and pointed out the difference between supplying intelligence to a minister who had a responsibility for security maters and supplying intelligence files to a backbench member of parliament who did not. While it was his duty to inform ministers and government departments on security matters which concern them, Spry explained, it was beyond his duty to provide information ‘to private members’ (NAA: A 6119, 500). The Attorney General replied to Spry on 4 November again assuring him that, ‘you should not supply information to private members about private individuals’. O’Sullivan informed Spry that he would be communicating this to Wentworth (NAA: A 6119, 500).

Wentworth, however, knew exactly how to work the system to his advantage. In the House of Representatives on 3 May 1961, he asked Prime Minister Menzies ‘would it be possible for him to have made available to honourable members a list showing the office bearers of the Australian Communist Party and of the Party’s State branches’. (House of Representatives 3 May 1961: 1366). This enabled Wentworth to request information by avoiding the usual communication channel of the Attorney General’s office. Menzies put the request direct to ASIO, which was perfectly acceptable. One week later Spry

88 Wentworth did not become a minister until 1968 when he acquired the portfolio for Social Services and Aboriginal Affairs (Clohesy 2009: 126).
supplied the Prime Minister with an extensive eleven-page list detailing all known officer bearers of the CPA in the country, members of the Central Committee and their State Committees. The list was then forwarded to Wentworth (NAA: A 6122, 2429).

In March 1963, Wentworth again sought intelligence from ASIO. On this occasion, he wanted a list of ‘people residing in my electorate who can be publicly identified as members or past members of the Communist Party’. Spry replied he could not provide such a list because it would involve a vast research project and his organisation could not spare the resources. Not satisfied with this response, Wentworth wrote back on 14 May suggesting that if ASIO’s list was narrowed down to New South Wales he could then sort the information into electorates himself and pass on the details to his colleagues. Perhaps irritated by Wentworth’s persistence, Spry appealed to the Attorney General, Sir Garfield Barwick. ‘My records are not designed to list persons who are or have been publicly identified as members or past members of the Communist Party’ he wrote on 7 June 1963. ‘I therefore regret I can not supply the information requested’ (NAA: A 6119, 500).

Wentworth’s repeated demands on ASIO resources had, indeed, started to test the limits of this egregious relationship. For example, two consecutive Directors General became increasingly uneasy with Wentworth’s improprieties. In 1965, Spry complained to the Attorney General that Wentworth had made fifty-nine requests for information in the previous two years, of which twenty requests were made in the first half of 1965 alone (Clohesy 2009: 126–127).
Likewise, when Spry retired in 1969 his successor, Peter Barbour, inherited the Wentworth problem. It was plain early on that Director General Barbour held many of the same aversions, especially in regard to how Wentworth may have been using the information he had obtained. ‘Over the years Mr Wentworth has been the only person consistently seeking such material from ASIO and to my recollection he has never disclosed the purpose of his requests’ he explained to Attorney General, Ivor Greenwood, on 18 October 1972. Barbour rightly suspected that Wentworth might have been using the material for his own political gain. As he confided to Greenwood:

I assume, perhaps incorrectly, that Mr Wentworth does not require the information in his official capacity as Minister for Social Services. Perhaps I would be wrong in wondering whether the information is to be used for electioneering purposes.

(NAA: A 6119, 4070)

Notes of his meeting with the Attorney General reveal that Barbour held concerns regarding how Wentworth’s public use of intelligence might reflect on ASIO’s reputation. ‘It seems to me to raise questions about the use of the security service’ he explained to Greenwood. Barbour then indicated that he had ‘strong reservations’ in supplying intelligence material to Wentworth, especially if it were to be put to public use. This, he reasoned was because:

They [intelligence reports] are highly prone to inaccuracy and dispute. One query can reflect on the accuracy of the whole and the reputation of ASIO can be compromised. Both my predecessor and I have advised against their use by Government spokesmen for these reasons. I am aware that it may be argued, as Mr Wentworth does, that ASIO should accept responsibility for recording and researching overt material from public sources. To my knowledge it has not been adopted as ASIO policy and appropriate staff allocated to this function.

(NAA: A 6119, 4070)

89 Peter Barbour was Director General of ASIO from 1970 to 1975.
Indeed, the above comments highlight that Barbour's assumptions regarding just what function the intelligence organisation should serve differed from Wentworth's. The Director General was aware that intelligence reports could be inaccurate and incomplete, and thereby could be dangerous when used in political statements. Wentworth, however, seems to have considered ASIO his personal research and fact-checking department. Two examples demonstrate this clearly. On 13 October 1972, Wentworth asked for a biography of each of the members of the 'Aarons Communist Party with particular reference to their union affiliations'. He also sought a list of office bearers of the other two communist parties (Marxist & Leninist) and their union affiliations. Shortly after, ASIO supplied him with a detailed four-page document outlining the communist affiliations of state and federal trade union officials (NAA: A 6119, 4070).

Upon receiving this information, Wentworth then submitted another request to ASIO on 6 November. On this occasion, he sought the verification of seventeen trade union officials and asked for any information regarding public references to communist trade union officials (NAA: A 6119, 4070). To Director General, Peter Barbour, Wentworth’s repeated demands were cause for comment, perhaps even concern. As he wrote in a Note for Record dated 16 November, ‘it had always been the policy to restrict the limited resources of ASIO to the collection of secret intelligence’ and not toward researching newspapers for members of parliament. But Wentworth was adamant and he told Barbour that ASIO should keep files of published and unclassified material in addition to their secret intelligence. What is perhaps surprising in this instance is that
although Attorney General, Ivor Greenwood, agreed with Barbour suggesting that ‘it probably was not an appropriate task for ASIO’, Wentworth received the information (NAA: A 6122, 2147).

A copy of the Communist Party of Australia’s 23rd National Congress was passed to him on 16 November 1972 (NAA: A 6122, 2147). ASIO also verified the list of trade union officials but noted that ‘only 1 of 17’ named by Wentworth could be reliably identified’ (NAA: A 6119, 4070). Barbour again expressed his reservations reiterating to Attorney General Greenwood that ‘my organisation is not geared to collecting and researching published information. Any attempt to respond to Mr Wentworth’s requirements must therefore be unsatisfactory’. Barbour also attempted to deflect Wentworth’s future solicitations suggesting that the information he is seeking ‘may be obtainable from the research staff of the Parliamentary Library’ (NAA: A 6122, 2147). It was only later in 1972 when the Liberal Party lost the federal election, that Wentworth’s exceptional relationship with ASIO started to decline. As Lachlan Clohesy in his study *Australian Cold Warrior: The Anti-Communism of W. C. Wentworth*, has suggested this was probably because Wentworth anticipated that the incoming Labor Attorney General, Lionel Murphy, would not be as accepting of his demands (Clohesy 2010: 268).

It is clear that Wentworth was using intelligence for political ends; what needs to be understood is why he could do this with such success. Two important issues arise, the first regards oversight. Given the vast resources intelligence services have to acquire information on many subjects, there is a
real temptation for members of parliament, as the Wentworth and Menzies cases demonstrate, to take advantage of this information to serve their own political agenda. It is fairly reasonable to conclude that both Menzies and Wentworth had a strong anti-communist political agenda. There is also fairly strong evidence that both approached ASIO on several occasions to supply them with information that would be used to expose communists. That each could request and receive such information from ASIO with only minor obstruction highlights that there were very few mechanisms in place to insulate ASIO from such political abuse. This brings into question the judgment of the minister(s) responsible for ASIO’s oversight.

This leads to the second issue regarding how politicisation occurred. Evidence indicates that ASIO was not acting autonomously from government, but rather it was firmly under ministerial control. For reasons of political expediency ASIO intelligence material was frequently turned into a political product not necessarily because ASIO shared and supported the same political views, but because parliamentarians could freely request and use the information ASIO collected. On most occasions, the minister responsible for ASIO oversight, the Attorney General, allowed this to take place. As McKnight accurately points out ‘the undoubted partisan behaviour of ASIO largely stemmed from close ‘Democratic’ control by ministers who sought to take advantage of the powers…of the security agency’ (McKnight 2008a: 721).
Evidence presented above tends to affirm that both Spry and Barbour did resist this political pressure, but their objections had little effect. Spry and Barbour were aware that politicisation would probably occur. This suggests that rather than simply casting ASIO in the typical conservative anti-communist mold a more complex explanation applies. It would be mistaken to suppose that ASIO unquestioningly pursued the conservative agenda of the government. It is probably more likely, at least in the above cases, that the organisation and its leadership had little choice but to respond to the demands of their political masters. Thus, it could be argued that politicisation occurred because ASIO had no means of insulating itself from parliamentarians using intelligence for partisan political objectives. Excessive ministerial control, as McKnight (2008 a) suggests, exceeded the ability of the Director General to resist such partisan improprieties. In the Wentworth case for example, this impropriety ultimately stemmed from inadequately managing the access a member of parliament had to the intelligence service. In short, those who received intelligence had far more discretion in how it was used than those who created it. More evidence emerges to support this finding.

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The Vietnam War: Intelligence, politics, and the peace movement

While the Wentworth case is an exemplar of how intelligence can be used to serve a partisan purpose, other senior government officials continued to request ASIO intelligence material and use it as a means of political persuasion. Throughout the period of Australia’s military involvement in Vietnam (1962–1973), the conservative government often framed peace activists and the anti-war movement as communist dupes. The assumption behind this claim was that the communist philosophy had covertly manifest within the peace movement in the form of ‘front organisations’ thereby enabling the party to not only undermine the government’s war policies but also to attack democracy (McKnight 1994: 209–211). Such a point of view is made clear in a statement Billy Snedden delivered to the House of Representatives in May 1970. According to Snedden, the purpose of the peace movement was to attack the government. He went on to describe the organisers of the Vietnam Moratorium as ‘political bikies who pack-rape democracy’ (House of Representatives 7 May 1970: 1783). Consequently, the peace movement became synonymous with subversion and its members became the targets of political surveillance. On several occasions government ministers would publicly invoke intelligence as a means of bolstering insufficient arguments and deficiencies in evidence about these claims. The following section of this chapter identifies several instances of such behaviour when politicians publicly cited intelligence material to besmirch the reputation of the peace movement for base political expediency.
Billy Snedden (1965)

The partisan use of intelligence surfaced once again on 6 May 1965, when Attorney General, Billy Snedden, was asked in the House of Representatives if he knew who had organised a North Vietnamese peace march in Canberra on 17 March. At this event, protesters had entered Parliament House demanding access to the Prime Minister, the Leader of the Opposition, and other authorities, imploring them to withdraw troops from Vietnam. Snedden informed the House that the New South Wales branch of the Committee for International Cooperation and Disarmament had organised and instructed the protests. The people who lead these groups ‘almost without exception’, Snedden averred to the House were ‘associated with the Communist Party of Australia or involved with the activities of Communist influenced movements’ (House of Representatives, 6 May 1965: 1293). Probably Snedden’s intention was to connect the leaders of the peace movement to the CPA thereby questioning the true motivation of their protest. But all of Snedden’s information was drawn from a dossier created by ASIO’s Special Projects Branch titled *The Communist Role in the Anti-Vietnam War and Anti-Conscription Protest Movements in Australia*. This document detailed the connections between a number of anti-war groups and the international communist movement and allowed Snedden to publicly demonstrate the relationship (NAA: A 12389, A 30, Part 6).
Since 1961, ASIO had been observing closely the events leading to the establishment of the Committee for International Co-operation and Disarmament. ASIO analysts had traced the origins of this organisation back to a statement issued at the 5th World Trade Union Congress, organised by the World Federation of Trade Unions (WFTU) in Moscow in December 1961. The Congress at this meeting had called for:

The workers and trade unions of the whole world to give active support to the population of South Vietnam in just and heroic struggles against the American imperialism, and the Ngo Dinh Diem dictatorship, in order to achieve the peaceful unification of Vietnam.

(NAA: A 12389, A 30, Part 6)

According to the ASIO assessment the WFTU was part of ‘an international communist front organization’ designed to mobilise workers and trade unions against intervention in Vietnam. Between 20 and 27 October 1963, the Congress held two more conferences, one in Hanoi Vietnam and the other in Sofia, Bulgaria. The outcome of these meetings was the establishment of an ‘International Trade Union Committee of Solidarity with the Workers People of South Vietnam’. Among a number of objectives, this organisation sought to mobilise resources throughout the world to ‘secure the withdrawal of United States troops from Vietnam’ and to ‘develop and organise with the trade union movement of all countries into a widespread mass movement’. Based on these documents it appears ASIO analysts were able to tenuously link the statements issued by the WFTU to a resolution published by the Communist Party of Australia when it met in June 1964 at its 20th congress. The CPA’s statement closely resembled instructions issued by the WFTU. First, the CPA admitted that
‘the Communists play an active part in this movement’. The statement went on to add that:

By patient and painstaking work, the Communists have already helped broaden the peace movement in Australia. The Communist Party urges the Australian people to unite around an independent foreign policy and force its introduction. In our view the minimum needs are: withdrawal from aggressive pacts such as SEATO and ANZUS. Recall of Australian troops from, Malaya, Thailand and South Vietnam. No further interference in the affairs of Asian peoples.

(NAA: A 12389, A 30, Part 6)

ASIO analysts appear to have concluded that the Australian Communist Party ‘was now fully in tune with international developments’ and active in its support of the peace movement (NAA: A 12389, A 30, Part 6). Organisations like the Committee for International Co-operation and Disarmament were in ASIO’s view part of the communist front organisations acting on behalf of the WFTU because it expressed similar political beliefs, appeared to contain members of the CPA, and generally supported CPA policies (McKnight 1994: 211).

Snedden’s public statement on this issue is of particular relevance to the subject of this chapter for two reasons. One is that Snedden appears to have publicly cited intelligence material to justify his political argument. This is evidenced by the claims he made connecting the Committee for International Co-operation and Disarmament to the CPA and anti-war movement, which closely resembled the exact same points made by ASIO. And two, this tends to indicate that the government was openly using secret intelligence material as a public communication strategy. As McKnight argues, this practice clearly had political advantages because it ‘allowed the government to reduce protest activity to communist inspired campaigns’ (McKnight 2008 a: 712). The problem was that
ASIO again appeared to be advocating the government’s policy agenda, not by what it had privately assessed, but by the blatant use of it in the government’s public arguments. The attributes of this case show that when ASIO material was used in the government’s public statements, ASIO became the servant of partisan politics and was thereby subjected to politicisation.

**Harold Holt and Malcolm Fraser (1966)**

Such unabashed political commitment to making intelligence a tool of government persuasion would again surface in September 1966. But now intelligence would be used to denigrate citizens because of their association with organisations opposing the government’s policies on the Vietnam War. Intelligence files would again facilitate government arguments that legitimate political dissent had a more subversive ulterior motive.

On 27 September 1966, Australian newspapers reported that a fourth year student from a Sydney Grammar school had been expelled because he refused to remain in the school’s army cadet corps. Fifteen-year-old, Robert Michaelis, told reporters that his fellow schoolboys were forced to take part in ‘Operation Guerrilla’ which was a ‘search and destroy exercise’ conducted at the school. ‘We had to go out after cadets dressed as, and playing the part of Vietcong. We had to take them prisoner and if necessary “kill” them by firing blanks’ (*Sydney Morning Herald* 27 September 1966: 1). Michaelis refused to take part in the exercises because he believed ‘it propagated the idea that it is right to kill Vietcong’, and because he objected to schools being used as a ‘training ground for the war in Vietnam’ (*Canberra Times* 27 September 1966: 1).
Shortly after, Fred Daly, Federal Member for Grayndler brought the issue to the attention of parliament. Incensed at Michaelis’ treatment, Daly attacked the government’s policy of schoolboy cadet training. ‘I believe that many boys now in the schools cadet corps will go straight from these corps to Vietnam and Asia’, predicted Daly. ‘It is conscripting kids, victimising and indoctrinating them’ he argued. The government, he said should be ‘ashamed’ of supporting such a policy. The then Minister for the Army, Malcolm Fraser, defended the government’s policy. He argued that it had been suggested to him that ‘this incident had occurred as a result of people who are certainly opposed to what the government is doing in South Vietnam’. The whole incident, according to Fraser, ‘could have been designed to incite opposition’ (House of Representatives 28–29 September 1966: 1402). His suspicions were directed at the anti-war movement.

Fraser then invoked ASIO intelligence material to support his claim. He placed on the official Hansard detailed personal information obtained by ASIO regarding the Michaelis family. This was designed to emphasise his claim that the actions of Michaelis were not innocent but rather seditious. In the process, he smeared the member for Grayndler, Michaelis and the boy’s mother. Fraser:

So that the honourable member for Grayndler may know the company in which he is operating tonight, I should like to give him certain information. This cadet is the son of Mrs Ann Margaret Butler Michaelis, of 28 Redan Street, Mosman, New South Wales. Mrs Michaelis is a committee member of the Association of International Co-operation and Disarmament. The Association of International Co-operation and

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90 According to Fraser’s biographer, Phillip Ayres, Fraser obtained the ASIO intelligence report through the Attorney General Billy Snedden, see: Ayres, P (1989) Malcolm Fraser A Biography, Mandarin Australia: Victoria, Australia.
Disarmament, as many people will know, is regarded as being under Communist influence. It superseded the New South Wales Peace Committee, which was also known to be a Communist inspired organisation. This is the circumstance, and this is the company, which the honourable member for Grayndler is keeping this evening.

(House of Representatives 28–29 September 1966: 1402)

The matter came to a head the following day in the House of Representatives when the Deputy Leader of the Opposition, Gough Whitlam, asked Prime Minister Holt whether he approved of intelligence files being used to discredit a fifteen-year-old schoolboy? Holt, sensing trouble, prevaricated the point. He suggested that the Minister for the Army [Fraser] had ‘a general responsibility’ to use any information provided to him to defend the government’s Vietnam policy. To substantiate the government’s actions, Holt then read from another ASIO document prepared on Mrs Michaelis, thereby politicising the issue further.

This document revealed that Mrs Michaelis was the State Secretary for the Women’s International League for Peace and Freedom, which had been connected to the activities of the Association of International Co-operation and Disarmament. Leader of the Opposition, Arthur Calwell, called upon Holt to table the documents from which he was reading. Holt, admitting the document was from ASIO, refused. His rationale was that ‘it has never been the practice of this country...for communications from the security service to the government to be made publicly available’ (House of Representatives 29 September 1966: 1415–1416). Holt’s actions did not go unnoticed.
The issue of using an intelligence service to blatantly target groups for political purposes was raised at a press conference on 1 October 1966. After admitting the documents cited were from ASIO the press then proceeded to grill Holt about the use of intelligence in parliament. Was it proper to use a security service to help the government make a statement in parliament? Why had the government resorted to the security service for information on a political issue? Was this not an attempt to smear the Michaelis Family? Holt responded that ‘I do not know whether it is a smear of people to have factually stated what they themselves have publicly subscribed to’. One reporter suggested that this was the first time in his memory where a security service document had been quoted in the House. Holt replied simply that ‘I don’t think that it is a matter of great substance’ (Canberra Times, 1 October 1966: 3).

Privately though Holt expressed a different view. It is fairly clear that he was unsure about just how to appropriately use ASIO material in parliament. He confided to Director General Spry on 3 October that he was not well appraised with the procedure of ASIO giving information to ministers on security matters. Holt asked for a detailed explanation of what had been the practice in previous cases. Spry referred him to the ASIO Act. Holt also expressed concern about the claims the press were making that this was the first time intelligence had been used in parliament. The Director General assured him that ‘this indeed was not the case’. Spry went on to explain that ‘over the years in relation to the debates on Peace Conferences the Prime Minister and Ministers concerned had obviously used and did use security information that had been supplied to them by ASIO’. In a striking move, Spry then proceeded to brief the Prime Minister with further
information regarding Mrs Michaelis’ protest activity, suggesting more information could be provided and Holt accepted the offer (NAA: A 6122, 2273).

Some initial conclusions can be drawn from the Michaelis affair that reveals one of the government’s fundamental assumptions: that the peace movement was actually a front for communist inspired activity, and thereby ASIO’s task was to target these political groups. Consequently, this assumption left little room for any distinction to be made between legitimate political dissent and subversion. The secret contents of ASIO intelligence files were not only used to justify this assumption but also to back the government’s political prejudice. Such a practice undoubtedly confirmed the suspicions of those who viewed ASIO as a means of maintaining the political orthodoxy. More importantly, this case demonstrates how easily intelligence can be used simultaneously to denounce those who hold opposed political ideologies while also justifying a government’s underlying assumptions.

Holt and Fraser’s use of ASIO material also closely resembled Menzies public shaming strategy. However, it also represented a break from the precedent established by Menzies in two ways. First, Holt unlike Menzies publicly disclosed that the information he cited was taken from ASIO intelligence files.91 Such a disclosure not only publicised ASIO activities but also highlighted that intelligence was being used to make a case for the government. In other words, intelligence became a tool of government communication to strengthen

91 See: House of Representatives, 29 September 1966: 1416; Canberra Times, 1 October 1966:3.
its agenda and impugn its opponents. This implicated ASIO as much as the government in the ensuing scandal. Second, and probably because of this, the government and ASIO did not escape severe public criticism for doing so. Perhaps because of both points, serious concerns began to arise from within the intelligence community and they began to reconsider the government’s demands for political ammunition.

**Resistance but no embargo**

Director General of ASIO, Charles Spry, was not always willing to pass information on to his political masters for their use in political debates. He began quietly to object to the use of his organisation for smear and partisan gain. On 3 October, during the events of the Michaelis episode, Spry had cautioned Prime Minister Holt about using intelligence in parliament and urged for restraint. ‘Statements regarding security should be reduced to a minimum’ he suggested to the Prime Minister. Spry also sought a means of redirecting requests for information by members of parliament that might have political implications. He suggested that when such requests were made he might direct the inquirer to the Prime Minister for approval before any statements were given. Holt agreed but indicated that he did not want an ‘embargo’ applied to all Ministers (NAA: A 6122, 2273). It was later on 1 February 1968 that Prime Minister John Gorton further limited parliamentarian’s access to the Director General. Gorton agreed that the only people who should have access to the Director General to discuss matters of security, or visit ASIO Headquarters were: the Deputy Prime Minister, Minister for Defence, the Minister For External Affairs and the Attorney General (NAA: A 6122, 2133).
Despite Spry’s attempt to resist parliamentarians’ requesting and using ASIO intelligence material for political purposes it had little effect, and the practice continued. However, that Spry attempted to shield ASIO from such political improprieties indicates that significant political pressure emanating from above was a primary cause of the politicisation. It is also perhaps a good indication of how deeply embedded and accepted the practice of using intelligence as a tool of political persuasion had become to government. In this case, it becomes fairly clear that ASIO was prevailed upon to supply its political masters with information that would incriminate opponents of their policy. ASIO itself had very little means of resisting this pressure.

**Nigel Bowen (1968)**

Sherman Kent, one of the founding fathers of the study of intelligence, argues that ‘intelligence means knowledge’ (Kent 1951:3). Put simply, the intelligence process\(^{92}\) transforms disparate and abstract information into a form which is both understandable and useable to decision makers (Hastedt 1987:54). The knowledge generated essentially extends the scope of political resources available to a government to enhance policy development. In some cases, however, that knowledge can be drawn upon for an ulterior purpose, for example, to facilitate a partisan political argument. An example of this occurred in May 1968. Attorney General, Nigel Bowen, on this occasion cited two ASIO

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Special Projects documents in the House of Representatives. It appears that Bowen used these documents to give his rhetorical claims political substance, namely that the peace movement was a vehicle for extending the communist party’s ideology in Australia. The following case is important to this study because it demonstrates why politicians might be tempted to draw upon intelligence for political purposes.

On 9 May 1968, John McLeay, Liberal Member for Boothby, put forward a question to Acting Attorney General Bill Snedden, (Bowen was absent from the House) asking him who was responsible for organising a student anti-Vietnam War demonstration to be held inside Parliament House the following week (House of Representatives 9 May 1968: 1258–1259). Upon his return, Bowen provided a statement to the House on 14 May. The information he presented to the House was taken directly from the aforementioned ASIO assessments. Bowen used these documents to argue that student involvement in the protest movement was a result of communist manipulation, thereby questioning the motivation of the student’s demands.

Determined to drive this assertion home, Bowen started his address citing ASIO material to detail how the various peace movements in Australia had become an instrument of Soviet foreign policy. He averred to the House ‘the Australian Congress for International Co-operation and Disarmament resulted in

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93 The documents were: (1) *The Communist Role in the Anti-Vietnam War and Anti-Conscription Protest Movements in Australia*, (2) *The Development and Use of Demonstrations as a Tactic by Anti-Vietnam War and Anti-Conscription Protest Organisations in Australia*, (NAA: A 12389, A 30, Part 6).
the Peace Committee setting up in March 1965 the Association for International Co-operation and Disarmament, New South Wales, known by the initials AICD'. He then said that representatives of the Communist Party had laid down the 'guide to action' of this group in Moscow in 1965 where a delegation of the CPA were present (House of Representatives 14 May 1968:1386).

One ASIO Special Projects document titled: ‘The Communist Role in The Anti-Vietnam War and Anti-Conscription Protest Movements in Australia’ makes a strikingly similar statement. It reads: ‘the New South Wales Peace Committee for International Co-operation and Disarmament ...helped form in March 1965, the New South Wales “Association for International Co-operation and Disarmament”’. It also stated that the CPA had sent a delegation to a consultative meeting of the Communist and Workers parties to Moscow in March 1965 where they had received direct instructions about operations to campaign against the war in Vietnam (NAA: A 12389, A 30, Part 6). Numerous other similarities occur in Bowen’s speech.

Bowen then argued to the House that the student protests in Canberra had been co-opted by communist front organisations such as the Association for International Co-operation and Disarmament (AICD). He emphasised that the student protests ‘are planned and organised from the outside, it is not the spontaneous action of school children’ (House of Representatives 14 May 1968: 1387). Evidence to support this assertion came from information ASIO had gleaned from the ‘Project Vietnam’ conference held earlier in January. ASIO had learned that one resolution to come from the conference was an attempt to get
more young people involved in the anti-war movement. Citing the ASIO documents Bowen told the House that groups like AICD had agreed that the best way to involve young people in the anti-war movement was to co-opt their movement and subvert their cause. Next Bowen quoted to the House the Project Vietnam conference resolution that urged students to:

   Establish a conscious link between students’ resentment of authority, their demands for more say in the administration of university affairs and a progressive social philosophy embodying opposition to the Vietnam war, opposition to conscription and an understanding of the problems facing the Third World.

   (House of Representatives 14 May 1968: 1387–88)

Bowen told the House that the co-option of students in the anti-war demonstrations in Canberra was a direct consequence of this policy. He then went on to cite more information from the ASIO assessment to substantiated a direct link between leading members of AICD to the CPA. 'Mr W. Gollan, I am informed is currently a member of the National Executive of the Communist Party of Australia, and a member of the AICD Committee and a member of the World Peace Council' (House of Representatives 14 May 1968: 1388). As a point of comparison the ASIO Special Projects document makes the following statement. 'William Eric Gollan' was a member of the 'Central Committee of the CPA' and had been ‘elected to the AICD Committee upon its inaugural meeting’ on 16 March 1965 (NAA: A 12389, A 30, Part 6).

Here, Bowen’s use of intelligence signifies how persuasive intelligence can be. It shows that his claims were not based on hearsay, but on all the available information at hand. In this case, intelligence helped transform his assertion into a statement of unequivocal fact directly supporting his political
argument. Intelligence substantiated Bowen's contention that communism was connected to the peace movement and the student protest bodies, which as the government suggested, was a vehicle for the extension of the communist ideology. The secret knowledge generated from intelligence provided the link that allowed Bowen to demonstrate the connection between dissent and subversion.

From the opposition’s point of view, such a tactic was beyond justification. Leonard Devine, Labor Member for East Sydney, objected to the blatant misuse of the intelligence service reminding the House that the government had an inglorious history of using intelligence advice for its own political ends. Devine:

I am sick and tired of coming into this chamber and hearing members of the Australian Labor Party being castigated by honourable members opposite on the basis of information supplied to them by the security service. When it suits the political purposes of members of government they get information and use it here. If they want to attack some individual who has not the right to say a word in reply they use information under the privilege of the parliament.

(House of Representatives 14 May 1968: 1416)

Despite protests from the Opposition, government ministers continued to ask ASIO for information. Director General, Peter Barbour, and senior ASIO staff resisted many of these solicitations, but they were not always successful (McKnight 2008 a: 718–719). On 17 June 1970, Deputy Director of ASIO, J. C. Behm, informed the Attorney General that some information requested through his office ‘appeared to be outside ASIO’s purview and sometimes not specifically

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94 For a detailed analysis of cases not mentioned here, see David McKnight (2008 a) Partisan Improprieties: Ministerial Control and Australia’s Security Agencies 1962–72.
connected with a security inquiry’. Behm suggested that the ‘Liberal Party research groups could provide the service which members sought’ (NAA: A 6122, 2137). Behm’s suggestion was clearly not given much weight, and the same problem surfaced immediately when Barbour met with the incoming Attorney General, Ivor Greenwood, on 11 August 1971.


When Greenwood first met with Director General, Peter Barbour, he put forward a bold proposition. Greenwood explained that he wanted to explore the possibility of ASIO undertaking research and collation of material concerning subversive activities so he could use this information to make public statements. Rightfully, Barbour cautioned against such a practice and told the Attorney General that ‘the preparation of material for the purposes of informing the public was not strictly the function of ASIO’. Barbour later reflected on Greenwood’s reaction in a Note for Record. He said that Greenwood told him ‘it was a function of ASIO to advise Ministers, and Ministers could perform the exposure’ (NAA: A 6122, 2139). This comment not only speaks to Greenwood’s audacity in using ASIO as a political resource, but also highlights that ASIO management were uncomfortable with this practice. At a minimum, it serves as a clear indication of the difficulty consecutive Directors General had in opposing the demands of their political masters.
One issue that concerned Greenwood was the possibility of subversive content in televised news and radio broadcasts.\footnote{The issue of subversive content in Australian broadcasting had been a concern to both the Conservative government and ASIO from as early as 1951 when it began vetting ABC personnel and scrutinising the content of commercial broadcasts, See: McKnight, D (1998) ‘Broadcasting and the Enemy Within: Political Surveillance and the ABC 1951–64’, Media International, No. 87, pp. 35–48; and McKnight, D (1998) ‘The Hunt For Reds Under ABC’s Bed’, The Australian, 25–26 July, pp. 1–2.} An example of the way in which he tried to use intelligence to regulate media content appears in the case of Jon Cassidy, a special projects officer employed at the Australian Broadcasting Commission (ABC). Throughout August 1971, a series of articles published in The Melbourne Observer raised concerns about Cassidy’s political associations and his influence on ABC programming.\footnote{The Melbourne Observer 1, 8,15, 22, 29 August 1971.} The Observer claimed that while he was still employed at the ABC, Cassidy was directing ‘secret terror groups’ at Melbourne’s Monash and La Trobe Universities (The Melbourne Observer, 1 August 1971). These reports became the basis of a smear campaign conducted in the Senate to discredit Cassidy and the student protest movement. On 18 August 1971, Senator, John Kane, brought the matter to the attention of Attorney General Greenwood. Kane asked Greenwood if he was aware of the allegations and wanted the Attorney General to investigate who was responsible for employing such a man as Cassidy (Senate, 18 August 1971: 53).

Following these questions in the Senate, on 31 August 1971, Greenwood asked ASIO to prepare a report on Cassidy. The report was supplied to him one week later and noted that Cassidy was involved in various student labour clubs and active in groups such as ‘Students in Dissent’ and the ‘Workers Student Alliance’. Although the ASIO assessment stated that publications printed by these
organisations ‘openly espoused a Marxism/Leninism, Mao Tse Tung thought philosophy’, it maintained that ‘there is no evidence to indicate clearly Cassidy's political philosophy’. The report also emphasised that ‘there is no evidence of contact between Cassidy and the CPA’ (NAA: A 6122, 2139). Although ASIO reported no adverse security issues regarding Cassidy, the accusations cast suspicion on the ABC’s reputation.

Cassidy’s employment immediately became a concern to ABC management. On 24 August 1971, Douglas Mclean, The ABC’s Assistant Manager in Victoria, interviewed Cassidy regarding the claims raised in The Observer and the Senate. Cassidy denied all of the accusations and questioned the accuracy of the statements made about him (NAA: A 6122, 1793). However, ABC management was not convinced and they became suspicious that Cassidy could be influencing the content of ABC broadcasts. ABC management turned to ASIO for advice.

On 16 September, McLean met with Director General, Peter Barbour, asking for any information ASIO had on Cassidy. Notes of the conversation show that Barbour, initially at least, was uneasy with the request. He explained that any formal request for information would have to be made in writing to him from the General Manager of the ABC. Informally, however, Barbour provided some details regarding Cassidy’s background and his involvement with the Workers Student Alliance. Barbour told McLean that ‘information published in the Observer was assessed by me as being more accurate than inaccurate’ (NAA: A 6122, 1793).
Further accusations were raised against Cassidy in the Senate on 15 September 1971. Senator Kane, in more of a statement than a question, informed Senate Members that Cassidy had delivered a speech to one hundred and twenty members of the Workers Student Alliance directing them ‘to penetrate schools, Universities, Trade Unions, the Australian Army and the Australian Security Intelligence Organisation’. Senator Kane demanded the Attorney General investigate and report to the Senate immediately (Senate 15 September 1971: 718–719). These allegations were enough to reinforce Greenwood’s suspicions, and probably further alarmed ABC management. Cassidy, however, continued to deny the allegations explaining to his superiors at the ABC that ‘I did not advocate penetrating the Australian Security Intelligence Organisation. I would regard such a move as ridiculous’ (NAA: A 6122, 1793). Despite his denials, the ABC became increasingly concerned about Cassidy’s possible subversive influence and it appears they began looking for an avenue in which they could dismiss him.

Responding to these concerns, Attorney General Greenwood pressed ASIO for more information on Cassidy’s activities and in October 1971, he was given access to ASIO surveillance material. Archival documents reveal that raw unanalysed intelligence obtained from a transcript of telephone interceptions that had been placed on Cassidy’s phone line in September were provided to Greenwood. He then asked ASIO to supply him with ‘anything else [ASIO] had’ on Cassidy for the previous two months (NAA: A 6122, 2139).
It is very likely that Greenwood then passed selected information to ABC management in some form because by November, the General Manager of the ABC, Talbot Duckmanton, had informed Peter Barbour that 'commissioners of the ABC were pressing for him to dispense with the services of Cassidy'. A concerted effort was then made to constrain Cassidy's activities at the ABC and he was then placed into a position of 'under-employment' and delegated to duties where he could not 'exercise any undue influence' (NAA: A 6122, 1793). Evidence indicates that Barbour, however, was now becoming increasingly concerned with how this might reflect both on himself and the organisation. He penned in a Note for Record on 18 November 1971, that Greenwood 'had hoped the information on Cassidy's activities regarding the Workers Student Alliance could be read into the public record' (NAA: A 6122, 2139). Barbour had reason to be concerned because in August 1972, Greenwood did just that.

He made a series of statements to the Senate about what he referred to as a group of employees within the ABC supporting a certain 'ideological viewpoint' designed to ensure that there would be no control of the ABC' (Senate 30 August 1972: 523 &529). This appears to be an exaggerated statement because at this time ASIO had not provided any firm assessment of Cassidy's political views. But nevertheless, Greenwood told the Senate that 'I know, or I believe I know, of some of the persons who constitute this group'. While he made no direct reference to Cassidy, he did expose organisations that were associated with Cassidy. Greenwood said that:
This group goes under the names of the Marcusian and New Leftism. It finds expression in a host of bodies in this country, which for example, the Workers Student Alliance is one and the Communist Party is another.

(Senate 30 August 1972: 532)

Not satisfied though, Greenwood continued to press ASIO for more information and on 6 September 1972, he was provided with a ‘current intelligence report’ on Cassidy. This report was now more conclusive about Cassidy's political philosophy and contradicted his denial of being involved with the Workers Student Alliance. It reported that Cassidy was now a leading member of the Workers Student Alliance and a self-described ‘communist revolutionary’. The report noted that in his official capacity as an ABC employee Cassidy had attended a conference on racism at the University of Queensland between 28 January and 2 February 1972 (NAA: A 6122, 2147). ASIO’s surveillance of the conference also found that Cassidy was now involved with the Black Panther Party of Australia. Further information identified that Cassidy had been seen handing out publications of Struggle at the conference. Even more troubling was that ASIO surveillance had picked up Cassidy stating that without any difficulty he was able to convince his ABC superiors that the conference was worthy of coverage and had boasted he was getting ‘a week’s holiday for the revolution’. A later ASIO document dated 10 February 1972, reported that Cassidy was also selling copies of Struggle to a number of employees of the ABC (NAA: A 6122, 2292). While these assessments are markedly different from the previous files on Cassidy, it is, however, difficult to determine whether ASIO had submitted to pressure and changed its views.

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97 Struggle was a publication issued by the Workers Student Alliance.
There is, however, strong evidence to suggest that this new information was passed from ASIO to ABC management. Managing Director, Talbot Duckmanton, wrote to Peter Barbour asking him ‘whether it would be prejudicial to ASIO sources of information to confront Cassidy with the information that he had participated in the conference on racism in Brisbane and had been seen distributing copies of Struggle’. Barbour replied that it would not, and noted for the record that ‘I gather that he [Duckmanton] intended to take some action in respect of Cassidy’s employment at the ABC’ (NAA: A 6122, 1793). Duckmanton confronted Cassidy with the information on 29 June, but again Cassidy denied the allegations. By this time, the ABC was keen to get rid of Cassidy but as Duckmanton explained in a letter to Barbour, the ABC could only dismiss him on grounds of incompetence or misconduct and that intelligence could not be used to prove either of these.

But the damage had been done and the ABC had other means of punishing Cassidy. His name was dropped from the credits of the ABC’s Nightcap program of which he was assistant producer (The Melbourne Observer 8 August 1971). And, as mentioned earlier, he was moved into a position where he could exude no influence on ABC broadcasts. The full consequences of the incident would only be revealed years later. Cassidy later reflected on the impact of these events telling researcher, Nick McLaren, that because ABC management knew he was under surveillance this had a profound impact on his ability to progress in his career and to gain any promotion within the ABC (McLaren 2010: 79).98 Just the

98 This may be a slightly exaggerated claim. Although Cassidy’s input into on-air content may have been curtailed, his influence in other areas did not suffer. In 1982, Cassidy...
suggestion that Cassidy was a ‘political radical’ and the knowledge he was under surveillance probably stymied his career.

Two conclusions can be drawn from the events surrounding the Cassidy incident. The first is that secret intelligence became the locus of power to substantiate the government's public case that Cassidy's dissenting views were subversive and possibly even criminal. Greenwood sought intelligence to validate this position. The second point is that despite ASIO informing the government that it could not determine Cassidy's political philosophy, and that he was not connected to the CPA, Greenwood still sought information that would prove his suspicions. He was not satisfied until he found what he was looking for. Indeed, as ASIO itself noted, Cassidy belonged to no illegal organisations and had committed no crimes yet his political position was seen as threatening enough to warrant rather intense surveillance. These points when taken together highlight the political misuse of intelligence for a partisan purpose, in particular, how political leaders used the extensive surveillance capabilities of the intelligence service not to better inform their policy decisions but to discredit a person based on their political beliefs. The case is a clear example of how the government used intelligence to represent a case of political dissent, as a case of political subversion.

The utmost publicity

Archival documents confirm that Greenwood continued to push ASIO to conduct surveillance on his political opponents and provide him with the information. On 19 October 1971, Greenwood asked for the security records of several trade union and Labor Party officials. One of these records regarded, Jack Mundey, Secretary of the NSW Building and Construction Union, and a member of the National Executive of the CPA (NAA: A 6122, 2139). The information supplied to Greenwood was then put to use in a Senate debate on 31 August 1972 to discredit Mundey's reputation. As Senator Hannan explained, ‘the Communist Mundey’ and his union were ‘responsible for the destruction of buildings’ and ‘placing bombs in the Department of Labour and National Service in Perth’ (Senate 31 August 1972:588). Senator, John Carrick, then asked Greenwood to ‘inform the Senate of the background of this gentleman and his actions’. Greenwood confirmed that Mundey and his union had indeed been involved in acts of physical violence during trade union disputes. He also informed the Senate that Mundey ‘is an acknowledged member of the Communist Party’. Greenwood’s rationale for exposing Mundey was as he had earlier suggested, ‘because it is the sort of thing which ought to be given the utmost publicity’ (Senate 31 August 1972: 593).

Communist Party connections to the trade union movement and the Labor Party were of particular interest to Greenwood, and he continued to use intelligence material to publicly expose them. Despite these matters having very little relevance to matters of national security, Greenwood pressed ASIO to forward security information on private citizens to him. For example, he asked
ASIO what records they could provide on, John Halfpenny, Secretary of the Victorian Amalgamated Metal Workers Union (NAA: A 6122, 2139). Halfpenny had been a powerful union organiser in Victoria and on one occasion, on behalf of his union, he had petitioned the Labor Party to abolish ASIO (The Age, 14 May 1974:3). Halfpenny’s ASIO dossier reported that he had risen quickly through the ranks of the Eureka Youth League to become the State President and was then elected to the National Committee in 1958. The ASIO report also confirmed that he was a known member of the CPA and had attended the International Trade Union Conference on Social Security in Moscow in 1971 (NAA: A 6122, 2139).

Later in August 1972, Greenwood was supplied with further information on Halfpenny. ASIO informed him that Halfpenny had recently become a member of the Victorian branch of the Australian Labor Party. In a preface to the report, Director General, Peter Barbour, advised Greenwood that ‘should you decide to use some of the material in a public statement I would be grateful if you would refer the matter to me first due to the sensitivity of the material’ (NAA: A 6122, 2147).

This information appears to have allowed conservative politicians to publicly discredit Halfpenny’s integrity and expose him as a communist on two separate occasions. The first instance occurred on 16 October 1972 during a televised debate broadcast on the Channel Nine program A Current Affair. During the debate, Greenwood and former Prime Minister, John Gorton, first claimed that two communists were influencing Labor Party policy. The two men were identified as Mr L. Carmichael and Mr J. Halfpenny. Labor frontbencher, Jim Cairns, speaking on the same program suggested this was an attempt to slander
the Labor Party and he then defended the reputation of the accused. But Cairns’ response was cut from the broadcast before it went to air (*The Australian* 17 October 1972: 2).

To the protests of the Labor Party, Greenwood continued his attack in the Senate a few days later on 19 October 1972. He told the Senate that Halfpenny was one of the most ‘active disruptionist communists in the country’ who had exerted a significant influence upon the policies of the Australian Labor Party through the trade union movement (Senate 19 October 1972: 1704–1705). Perhaps the principal theme running through this incident is that ASIO intelligence material appeared to be underpinning the government’s claim that communism was influencing ALP policy. Almost certainly some of the information used to support this claim came from the dossiers Greenwood had asked ASIO to prepare on Halfpenny in October 1971 and August 1972.

For almost 23 years, despite many attempts by ASIO to resist the practice, respective Prime Ministers, Attorneys General, and parliamentarians misused intelligence information for their own political ends. Some of these improprieties, although long suspected, were only made public after the Labor Party had assumed control of the government in 1972. Given Greenwood’s relationship with journalists it is perhaps not surprising that on 14 May 1974, *The Age* newspaper published an ASIO minute disclosing many of Greenwood’s indiscretions. It confirmed that Greenwood had instructed the organisation to conduct numerous checks on private citizens and to compile dossiers on them for his own political purpose. The article revealed the incidents regarding
Cassidy, Mundey, Halfpenny and a number of other subjects Greenwood had asked ASIO to provide information on. When confronted with the information those subjected to the surveillance said they were not surprised. (*The Age* 14 May 1974: 3). Greenwood responded on 1 July 1974 in *The Sun* newspaper. He accused the Labor Party of leaking documents to journalists in order to damage ASIO’s reputation (*The Sun* 1 July 1974: 4). This was perhaps a striking comment given his own disregard for the political neutrality of the organisation during his term as Attorney General. However, McKnight when conducting research interviews for his book *Australia’s Spies and their Secrets* was told that the ASIO document was leaked to *the Age* not by the Labor Party but by ‘a disgusted public servant’ who had taken the document from Greenwood’s own files (McKnight 1994:286).

**Conclusion and preliminary findings**

In each of the cases discussed in this chapter, politicisation was ubiquitous and clearly motivated by the government’s own political interests. Although ASIO may have at times mirrored the government’s conservative attitude towards communism, the politicisation of intelligence in the above cases did not arise because it was an overtly partisan organisation. While the cases examined above may not be representative of the government’s or ASIO’s behaviour throughout the Cold War, the findings of this chapter indicate that politicisation occurred less on the basis of ASIO’s allegiance to conservative politics and more on the basis of parliamentarians misusing intelligence to achieve their own political goals. It was not so much that ASIO collected information on private citizens and activist groups, but the way in which that
information was used in a parliamentary and public context that led to politicisation.

For example, intelligence material became a powerful political tool, which could be used to articulate the apparent subversive nature of communism, the anti-war movement and political dissent. Prime ministers, attorneys general, and members of parliament consistently brought intelligence advice into the public sphere in order to emphasise a link between political opposition and subversion. This was often done without the knowledge of, or against the advice of Directors General Reed, Spry and Barbour. One point this underscores, as McKnight’s study concluded is ‘the ineffectual resistance of senior ASIO figures’ indicates that it was the unfettered Ministerial control of ASIO that led it to become a politicised organisation (McKnight 2008 a: 721). What can be seen throughout the cases in this chapter is an excessive attempt on the part of the government, to use intelligence to promote their own particular political interests.

Throughout the period under discussion, the partisan political use of intelligence did little to strengthen the notion of a politically neutral and objective intelligence organisation. Prime Minister Chifley’s vision of an impartial organisation designed to inform government decision-making was turned into a tool of influence on behalf of government. Perhaps the most important feature revealed in this chapter is that intelligence was used to persuade not inform. This seems to have occurred as a result of two conditions. One is that intelligence became a compelling means of justifying the government’s political agenda. And two, intelligence extended the scope of
political resources available to politicians in order to make these assertions. The temptation to use it became irresistible.

For example, in his Communist Party dissolution speech Prime Minister Menzies used intelligence to justify the government’s case that the trade union movement was honeycombed with communists. Director General of ASIO, Justice Reed, was not consulted before this information was publicly revealed. He noted that the information ASIO supplied was intended to inform the government of the situation. It was not intended to give substance to a political speech or to lend support toward a policy decision. Likewise, in the Michaelis case Prime Minister Holt and then Minister for the Army, Malcolm Fraser, used intelligence not to inform their policy decisions, but rather to persuade an audience and smear their political opponents. In this instance, intelligence was used to connect political opposition to subversion. This pattern continued under Attorneys General Billy Snedden, Nigel Bowen, and Ivor Greenwood. On a number of occasions, they used intelligence files in parliament to deride opposition by linking legitimate political dissent to subversion. Intelligence was deployed to justify such claims.

ASIO undoubtedly collected vast amounts of information on private citizens. It also screened appointments to the public service and academia while monitoring the activities of politicians, journalists, the media and the various peace movements. In regard to politicisation, it was not that this information was collected but rather how it was used to political advantage. On numerous occasions, political leaders used intelligence material to discredit legitimate
political dissent and to obstruct the careers of those who espoused alternative political ideologies. In this sense, intelligence became a powerful partisan resource.

One of the primary problems facing the government when it came to dealing with communism and the anti-war movement was justifying their own position toward it. They needed to show that members of these groups were skilful manipulators, subversive and a threat to security. Strong representations were needed to make this point. As a political resource, intelligence extended the scope of the information available to politicians allowing them to make this connection. This is precisely why the government turned to ASIO to obtain information regarding the communist influence in the trade unions during preparation of the Communist Dissolution Bill. Likewise, as the William Wentworth case demonstrates the intelligence service substantially increased his ability to publicly expose and diminish the legitimacy of alternative political views. For nearly two decades, Wentworth used ASIO as a resource to check the associations of people he suspected to be communists. Others such as Attorneys General Bowen and Greenwood built upon this precedent. They tended to use ASIO as their personal fact-checking department. This greatly enhanced their argument that the ideas espoused by the anti-war movement were actually underpinned by notions of dissent, subversion, and disloyalty.
The cases analysed in this chapter tend to confirm that bringing intelligence into political debates is hazardous and often results in politicisation. This appears to be because such actions can create the perception — real or imagined — that the intelligence services are aligned with political parties or political leaders. Within this context, the mantle of intelligence as politically neutral is diminished the more it is used in the political arguments of government. While intelligence is undoubtedly a valuable commodity when appropriately used to inform political decision-making, evidence suggest that it is also a destructive force when used publicly to underscore a political point.

It is perhaps reasonable to conclude that the more intelligence is used in political debates the likelihood of it becoming politicised increases. Finding the optimal balance between using intelligence to inform policy without it stepping into the role of advocating for a policy choice may be difficult to achieve. There can be no certainty that achieving such a balance would eliminate politicisation from occurring.

The politicisation of intelligence within the Australian context has a long history. In 1949, the Australian intelligence services had the opportunity to start anew. The creation of ASIO was a chance to move away from a history of partisan conflicts, maladministration, and politicisation that had bedevilled the effectiveness of the services during previous five decades. This was an opportunity to reverse its misfortunes. A chance to make the intelligence services less vulnerable to partisan politics and more responsive to legitimate security concerns. It is perhaps unfortunate then that during its formative years
ASIO was subjected to these same debilitating conditions, which undoubtedly tainted its reputation. But it was precisely this history that confirmed to many that the creation of any new intelligence service would only serve to reinforce the prevailing political orthodoxy. Given the circumstances described in the preceding four chapters it is perhaps disappointing that intelligence would continue to be a weapon of politics into the 21st century.
Chapter Six

From the shadows to the spotlight: Intelligence leaks, subversion, and media intercession
(1972 – 1975)

It is my opinion that something constructive should be done to implement a coordinated plan of anti-Communist propaganda throughout Australia. The mediums vitally concerned are Press and Radio.
(Director General of Security C. F. Spry)\(^99\)

Introduction

With a few exceptions, interaction between the Australian intelligence services and the media has received little sustained analysis.\(^100\) Even less attention has focused on how such interaction might result in politicisation. The subject of this chapter explores ASIO’s relationship with the Australian media during the years 1972 to 1975, evaluating to what extent this interaction resulted in politicised intelligence. The chapter has two specific aims. One is to explain how intelligence intervention in the media can be understood as a form of politicisation. The second is to identify and explain what conditions enabled politicisation to occur.


In the late 1950s and early 1960s, ASIO took a great interest in the Australian media. Archival files show that on 26 March 1961, an unnamed ASIO officer sought assistance from one of his media contacts. ‘The situation in the C P [Communist Party] is really at boiling point at this stage and an article in a newspaper could do a lot to kick it along. Please do all you can’. Attached to the letter was another document, which the ASIO officer said ‘could be of some use’. The archival file documenting this case is not clear on what ASIO material was offered to the media, but it did state ‘could you please retype our article before passing it on and destroy the original’ (NAA: A 6122, 1940).

Three days later, ASIO requested further assistance from several media organisations. A minute prepared on 29 March shows that ASIO’s Special Services Branch had an operation that was ‘designed to exploit to the fullest possible extent within Australia the ideological split between China and Russia and the subsequent dissentions arising from it within the Communist Party of Australia’. Editors of the Herald group, The Age and News Weekly were then briefed by ASIO and supplied with material. They were encouraged to use this material in articles emphasising the divisions that the Sino–Soviet split had created within the CPA, and then to ‘continue the attack after publication of the articles’. Briefings were also conducted with an editor of The Bulletin newspaper. A television contact was provided with information and asked to produce a program that would discuss the tensions the split had aroused (NAA: A 6122,
1940). Subsequently, several articles appeared in the aforementioned newspapers.101

But this was not an isolated case. ASIO’s relationship with the Australian media had a much longer history which began in the early stages of the Cold War. It continued until just months before the Whitlam Labor government was elected in December 1972 when the practice was officially discontinued. But for seventeen years before 1972, ASIO had been actively intervening in the media. It had cultivated journalists, newspaper editors, and other media representatives to use as part of its counter propaganda and exposure measures known as ‘spoiling operations’ (Anderson 2005:337). These activities were intended to disrupt and damage the political activities of the left and were rationalised as a means of combating the spread of communist propaganda activities in Australia (McKnight 1994: 195). Often ASIO’s spoiling operations had very little to do with countering communist propaganda but instead were ‘aggressive foray’s into the world of politics’ where the organisation could express its own political views in the press (McKnight 2008 b: 5). These operations were intended to be counter-intelligence measures designed to inhibit communist propaganda but they became a partisan exercise in managing public opinion and conditioning political attitudes.

On several other occasions, intelligence material was provided to the media with the intention of discrediting the members of left wing political groups, activist associations, the peace movement, and even high-ranking members of the government. When these practices were brought to the attention of Prime Minister, Gough Whitlam, ASIO’s media intercessions began to unravel. He later recalled that ‘ASIO had acted in a wholly unwarranted fashion and outside its legitimate functions in supplying the media with material about individual citizens’. Against this background in July 1974, Whitlam decided to expose ASIO’s spoiling operations. Shortly after, he announced a Royal Commission into the Australian intelligence community to investigate the role and function of every Australian intelligence agency (Whitlam 1985: 171).

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Some academic attention has been paid to the subject in the Australian literature. For example, David McKnight’s (2008 b) article, ‘Not Attributable to Official Sources: Counter Propaganda and the Mass Media’ is of particular relevance to this chapter. McKnight’s study provides a comprehensive analysis of the relationship between ASIO and various Australian media organisations. While his study does not specifically deal with the issue of politicisation, it does provide two important findings that guide the following analysis. One is that the relationship between intelligence organisations and journalists can be mutually beneficial. On the one hand, McKnight argues that secret information can be disclosed to journalists as part of the communication strategy of the security service because it can give voice to an otherwise publicly silent organisation. The
second involves the unique forms of information that intelligence services collect. Surveillance powers vested in intelligence services permit the collection of highly privileged forms of information that are not available through other means. Journalists may be tempted to publish such material because it can provide their reporting with ‘scoops’ and exclusive information. McKnight warns that the relationship can become unbalanced and one of dependence. He found that in most cases, the stories that resulted from this relationship were more often beneficial to the intelligence service than to the journalists (McKnight 2008 b: 15).

Others have studied the issue from a narrower perspective. Fay Anderson’s (2005) book, An Historian’s Life, Max Crawford and the Politics of Academic Freedom analysed how ASIO manipulated the press to expose communists working at Melbourne University. However, her work focuses on how ASIO used the media to stifle academic freedom and limit dissent in Australian Universities, rather than as a means of policy manipulation. Fiona Capp’s Writers Defiled (1993) took a similar approach. While her study makes a significant contribution to the field, it examines how ASIO conducted surveillance on Australian writers. In this sense, Capp focuses on how ASIO used the media to vilify writers and repress the content of Australian literature, without mentioning politicisation. Valuable though this literature is in providing context and background to the subject it has not examined how intelligence intervention in the media can be understood as a form of political manipulation or a form of politicisation. Others, however, have given this topic a wider examination.
Two studies investigate how intelligence intervention in the media can result in politicisation. In *Fixing the Facts*, Rovner (2011) outlines a form of politicisation, which he describes as ‘intelligence subverting policy’. Rovner suggests this usually occurs when intelligence organisations, or their staff, attempt to undermine existing policies or preferred policy choices of a government. In other words, intelligence organisations may disseminate information either through well-placed leaks to the media or by providing information to political opponents because they may fear becoming scapegoats for policy failures. From the perspective of an intelligence organisation, this practice can act as a form of self-protection. Leaks are provided to the media to highlight that a security failure is the result of bad policy choices and not bad intelligence work. But Rovner’s study found that even the perception that this form of intelligence subversion is occurring could lead to what he calls, ‘a subversion–manipulation feedback loop’. For example, when an intelligence organisation suspects that they might become the scapegoat for a failed policy decision they attempt to subvert it by leaking. But, policy-makers may in turn ignore intelligence assessments because they fear leaks and exposure. This leads to a highly dysfunctional relationship, mutual hostility, and a breakdown in communication and cooperation (Rovner 2011: 32–35).

There are also strong parallels to be drawn between ASIO’s media interventions and intelligence interventions in British politics. One study conducted by Uri Bar-Joseph (1995) titled *Intelligence Intervention in the Politics of Democratic States* provides two case studies — among others — that are of particular relevance to this chapter. The first involved a case where military and
intelligence officers conspired to subvert the policy of British Prime Minister Lloyd George in 1920. Another instance involved British intelligence officials leaking secret information to the media in order to undermine the Labour government of Ramsay MacDonald in 1924. Bar-Joseph put forward three hypotheses to explain such behaviours.

The first builds on the traditionalist – activist theory of proximity, outlined in chapter one. Bar-Joseph found that when intelligence agencies and policy-makers do not adequately separate their domains, a distinction between the two functions becomes unclear. Political neutrality is compromised when intelligence requirements are dictated by policy preferences. The second finding regards the professional ethic. Bar-Joseph’s study found a high correlation between the attempts of intelligence organisations to intervene in politics and the level of professionalism within intelligence organisations. He found that intelligence officials who exhibit a low level of professionalism were more likely to intervene in political matters. Bar-Joseph’s final observation was concerned with political control and oversight of intelligence organisations. He argues that in political systems where oversight is maintained only by the executive arm of government, intelligence organisations are more likely to intervene in politics. He concluded that a ‘unilateral’ control system was not sufficient to prevent intelligence from intervening in politics (Bar-Joseph 1995: 338). The following discussion builds on this literature, by asking whether or not the findings of these studies can provide a framework to analyse how ASIO’s intervention in politics through media intercession can be identified as a form of politicisation.
As with the previous case studies the first part of the chapter sets the historical context. It provides an overview of ASIO’s media spoiling operations focusing on how such interventions operated. To develop the discussion, the chapter then examines three instances where ASIO intervened in the media for a political purpose. The first case describes how Australian politicians and intelligence officials tried to pressure a journalist into producing a magazine that would use intelligence files to undermine left wing activists and Labor politicians. The second case investigates how ASIO leaked information to selected media outlets to exert pressure on the Whitlam government. The final case examines how one journalist exposed ASIO’s media operations, which subsequently led Prime Minister Whitlam to implement a Royal Commission on the Australian intelligence community. The chapter concludes with a review of the preliminary conclusions.
Spoiling operations and media intercession

In 1959, ASIO arranged for a series of articles to be placed in Australian newspapers that would expose the international convention of the Australian – New Zealand Congress for International Co-operation and Disarmament as a communist front. One memo dated 18 September 1959, shows that ASIO had approached members of the ‘friendly press’ and encouraged them to report ‘only the adverse aspects’ of the Congress. But one unnamed newspaper failed to uphold ASIO’s request. The editor was immediately visited by an ASIO officer and reminded that the Congress was ‘Communist inspired’. The editor was ‘at once most apologetic’ noted the minutes of the conversation. He ‘regretted that his paper had been the avenue of free publicity for the congress’, and he assured ASIO that no further publicity of this nature would be given to the Congress in his paper (NAA: A 6122, 2013).

After this success, a Special Projects Section was formally established within the B1 Counter Subversion branch of ASIO in July 1965 to prepare studies for the use of government and outside contacts. This branch continued releasing ‘background information’ to selected media outlets until 1968 when a Special Projects Branch was established to carry out special operations and research projects under the direction of the Director General of Security (NAA: A 6122, 2079:100–104). The function of the Special Projects Branch was to prepare material for covert spoiling operations and counter propaganda activities, and the director of the Branch was instructed to establish and maintain liaison with

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chosen contacts in a variety of fields, including press, radio, and television (NAA: A 12694, 18).

The purpose of maintaining these media contacts appears to have been not only to channel ASIO’s views on topical political issues into the public arena, but also to glean information from journalists, and to promote the organisation itself. The Special Projects Branch had intimate links with a number of leading Australian newspapers. For example, one Special Projects officer, Bruce Campbell, was the son of Sir Harold Alfred Campbell, the long time editor of *The Age* newspaper from 1939 until 1959 (*Nation Review* 2–8 December 1976:149). Other senior media contacts included a later editor of *The Age*, Graham Perkins, editors of *The Bulletin*, Peter Hastings, and Peter Coleman, and chief of the Herald and Weekly Times group, Phillip Jones (McKnight 1994: 184–185; *The Australian* 28 July 1998: 5). Another contact was a later editor of *The Bulletin*, Donald Horne. He wrote that on several occasions he had met with Director General, Charles Spry, and a variety of other ASIO officers. Horne recalled that a number of *The Bulletin’s* staff had received material from ASIO, most of which regarded the Communist Party of Australia (Horne 2000: 112–113).

ASIO had close links with other Australian news media organisations. In 1974, after learning of ASIO’s spoiling activities Prime Minister Whitlam demanded a list of all newspapers that had participated in the operations. That list contained sixteen leading Australian newspapers including among others: *The Sydney Morning Herald, The Adelaide Advertiser, The Australian, The Bulletin, The Age* and *The Australian Financial Review* (NAA: A 6122, 2134). It appears
reasonable to conclude that the intention of developing these relationships was to influence public opinion on political issues by discrediting members of the Communist Party of Australia, exposing left wing dissent during the Vietnam War, and emphasising the communist influence in the trade union and labour movements. ASIO’s media operations were an effective means of placing the political views of an apparent apolitical intelligence organisation before the public.

Writing in *The Australian*, McKnight suggested that on several occasions ASIO used the media to give voice to their own political agenda. For example, story ideas and certain angles were suggested to journalists that might present ASIO’s political views in a flattering light. In June 1961, then Director General of ASIO, Charles Spry, encouraged an unnamed journalist to write articles for *The Bulletin* attacking left wing academics at Melbourne University (*The Australian* 28 July 1998: 5). Other evidence indicates that on 4 November 1965, the Deputy Director of ASIO’s New South Wales branch proposed a television program that would depict the spread of communist revolutions and takeovers through the world. He suggested that the film would be an effective instrument to inform the public about the violent tactics communist’s used to achieve their goals. The Deputy Director recommended that the program could ‘be interspersed with images of violence as used by Communists; e.g. Hungary, Malaysia, Tibet, etc.’ (NAA: A 6122, 1986).
But the relationship between ASIO and the media was not always so one-sided. Some representatives of the media willingly offered to write flattering pieces on ASIO in return for information. In April 1964, Sydney journalist Robert Mayne wrote to, Charles Spy, seeking ASIO assistance for an article he was writing in the *Sydney Morning Herald*. Mayne felt that ‘an honest article on Australian Security would do only good and help dispel a lot of absurd myths’ regarding the organisation. Shortly after, representatives of ASIO met with Mayne to provide the information he had requested (NAA: A 6122, 1984). On 22 May 1964, a flattering piece on ASIO appeared in the *Sydney Morning Herald* credited to an unnamed ‘staff correspondent’ under the headline: ‘ASIO: Government Arm of National Security’. It revealed detailed information on successful ASIO operations and defended ASIO’s telephone interception techniques and the increasing budget expenditure the organisation had received (*Sydney Morning Herald* 22 May 1964:2). Mayne wrote to Spry on 29 May 1964 thanking him for the assistance and courtesy ASIO officers had extended to his research (NAA: A 6122, 1984). But Mayne was expected to return the favour. ‘I was asked to provide details of the political views of Mr Robert Duffield, the foreign editor of *The Australian* newspaper’, Mayne later revealed in an article for the *National Times*. He was asked to collect this information only because Duffield had expressed critical views on the Vietnam War (Mayne 1973: 4).
Another media figure to show deference toward ASIO was Robert Raymond, filmmaker and one of the founders of the ABC’s *Four Corners* program. In 1965, Raymond approached ASIO for assistance in making a film titled: *Have you a spy in your street?* He suggested the film could be used to outline the history of ASIO and to show the organisation’s success in handling the Petrov and Skripov cases. Raymond stated that ASIO would be able to vet the final product and insert anything into the film that they required. So enthusiastic to gain ASIO’s approval Raymond indicated that ‘he was prepared to bow to ASIO’s wishes at any stage even to the extent of discontinuing the film’ should ASIO be unhappy with the production. A treatment of the film’s script was submitted to Director General Charles Spry in May 1966. Raymond suggested the film could clarify the functions of ASIO, which he argued ‘were possibly confused in the public mind… you can depend on the film making clear the point that there is no political influence whatsoever in the work of ASIO’. The film was to be distributed to television stations throughout Australia with the possibility of international release. Although Spry was interested in the production, because of the upcoming federal election in November 1966, he decided the film ‘should be left in abeyance for a more appropriate time’ (NAA: A 6122, 1986).

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103 Raymond also worked for Channel Nine and the Seven Network and was later a member of the Board of Directors at the ABC (Raymond, R 1999, *Out of the Box*, Seaview Press).

104 A later version of the film is entitled: *Second Oldest Profession*. Raymond is also identified as the filmmaker in the script he submitted to ASIO for approval see: NAA: A 6122, 1986: 81).
Further contacts were made with radio and television managers. In November 1967, Ernest Redford, of ASIO’s Special Projects section established a liaison with an unnamed director of a New South Wales radio and television station who ‘promised his complete cooperation’ insisting that he was ‘willing to assist ASIO in every possible way’ (NAA: A 6122, 1986).

Although it is difficult to gauge what effect these media operations had on influencing public attitudes, one case that was exposed in September 1971 provides some evidence that ASIO placed a high value on putting forward its political views to the public. The following discussion outlines this evidence and is selected for two reasons: First, it provides support to the claim that ASIO was actively intervening in the media for a political purpose. And second, it demonstrates how information collected by intelligence organisations can be put to political use in the media — or in other words politicised. Details of this episode were revealed in a sworn statement to the Royal Commission on Intelligence and Security conducted in 1975 by Robert Mayne, the same journalist who had received ASIO assistance in 1964. The case indicates how ASIO intended to use journalists as a political tool and it demonstrates at least one method ASIO used to push their own political views into the public arena.
The Analysis

On 16 September 1971, Australian businessman, Peter Warren, approached, Robert Mayne, proposing that he edit a new magazine called *The Analysis*. Warren indicated that the publication would have access to material supplied from ASIO. Intrigued at the prospect of digging through ASIO documents Mayne agreed to Warren’s proposal. Subsequently, a second meeting was arranged between Mayne and Warren for 21 September 1971 to set out further details of the publication (NAA: A 8913, Box 1).

At this second meeting, Warren was accompanied by two men. The first was Peter Coleman, Member of the Legislative Assembly of New South Wales, the second was Director of ASIO’s Special Projects Branch, Ernest Redford (NAA: A 8913, Box 1). Archival documents show that direct contact between Coleman and ASIO had been established in 1963. A Situation Report written by the Regional Director of ASIO’s New South Wales branch dated 23 November 1963 stated that Coleman was ‘keen to assist’ and that he had ‘restated his willingness to publish anything topical concerning the Communist Party’ in *The Bulletin*. At the time, the Regional Director added that, ASIO had supplied Coleman with material regarding the Australasian Book Society and ASIO were willing to supply him with more material in future (NAA: A 6122, 2126). According to ASIO, the Australasian Book Society was a front organisation used by the CPA to distribute propaganda (NAA: A 6122, 1698).
Coleman had been the associate editor of *The Bulletin* newspaper. Under his editorship several articles highly critical of the CPA and student peace movement had appeared in *The Bulletin*. Many of the articles cited detailed information on CPA members and other left wing activists (McKnight 2008b:14). But Coleman was also credited as the author of a curious pamphlet titled *School Power: Is Your Child Being Manipulated by Political Operators?* Published by the Moree Champion, the pamphlet offered Coleman's (and likely ASIO's) extreme view of the ‘radical student underground’. The forty-page pamphlet detailed the student protest movement’s association to international ‘revolutionary parties’ and promoted a theme demonstrating its strong support for Trotskyism and the Communist Party of Australia (Coleman 1970: 6). Archival documents show this publication was based on ASIO intelligence material.

Several sections of Coleman's pamphlet drew heavily from an ASIO Special Projects paper titled ‘Program For Revolution in High Schools’ prepared in 1969. ASIO's support for Coleman's pamphlet was part of a secret operation named ‘Operation Beacon XII’. Documents show that ‘Beacon XII’ was a special operation designed to cover ‘administrative arrangements’ for Coleman's publication. This involved organising financial and public relations support for the publication and helping with the distribution and printing of the pamphlet. Such assistance extended to involving individuals such as Peter Warren who had ‘given significant support, both financially and public relations wise, to the publication’ and ‘several other NSW stockbrokers who wished to remain anonymous’. Sixteen thousand copies were distributed throughout Australia at
the time, along with significant promotion in the media of which ASIO noted had ‘produced favourable results’ (NAA: A 6122, 2126).

In his testimony, Mayne recalled that the discussion of the second meeting centred on determining the purpose of the magazine. In Mayne’s words, it became ‘quite clear the magazine they were to produce was to be used to discredit those people whose political views they did not share, namely, those on the left wing of politics’. Apparently, Warren made his intentions clear by stating that he wanted to ‘show the truth about subversives and left wingers’. Mayne informed the Royal Commission that ASIO officer Ernest Redford, in his opinion, was ‘speaking with the authority of the organisation’ and had agreed to supply information that would accomplish such a task. Publication of The Analysis magazine had further connections to other political figures. It was to be printed by Henry Sullivan, Member of the New South Wales Upper House and owner of the Moree Champion. The same publisher of Coleman’s School Power pamphlet (NAA: A 8913, Box 1).

Mayne soon began receiving the information he was promised. Coleman delivered the first instalment comprised of five manila folders containing information to be used in the first edition of The Analysis.105 A few days later Redford provided further information to Mayne including several ASIO files dealing with protest movements in Australia, the identification of protesters, and

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105 Coleman later admitted that he had received ASIO files from Redford for publication in the Analysis magazine, but denied the material contained any secret information, see: New South Wales Legislative Assembly, Official Hansard, Wednesday 1 March 1978.
information outlining ASIO’s political views. Much of the information outlined the activities of members of the Communist Party of Australia and the anti-Vietnam War movement such as Albert Langer, Brian Medlin, Daniel O’Neil, Robert Gould, and Dennis Freney.\textsuperscript{106} Mayne was instructed to use this material to compose the first article published in The \textit{Analysis} under the headline: ‘The Agitators’. Mayne wrote the article describing it as ‘acid tipped biographies’ and submitted them to Warren (NAA: A 8913, Box 1). However, Warren and Coleman seemingly lost faith in Mayne when he attempted to publish the story in another newspaper. Warren exhorted that ‘he would not recommend such a course’, — threats of blackmail was then cast against Mayne (NAA: A 12388, 73A).\textsuperscript{107} As a result, the article was never published and the magazine never appeared. Nonetheless, the episode highlights how political leaders in cooperation with the intelligence services supplied information about private citizens to the media in order to discredit their views. It reveals how the political views of an intelligence agency can be made public with the intention of shaping public sentiment. Such actions suggest that some ASIO staff were more intent on establishing enmity towards the left than they were with informing policy development.

\textsuperscript{106} Coleman’s claim that the files contained no secret material is clearly erroneous. For an overview of the content of these files see: New South Wales Legislative Assembly, Official Hansard, Wednesday, 1 March 1978, where the documents were tabled.

\textsuperscript{107} The threat to blackmail Mayne was documented in camera at the Royal Commission’s inquiry. One of Mayne’s relatives was a junior ASIO officer at the time and knew nothing of the Analysis proposal. It appears, however, that the career of the junior officer was threatened if Mayne went ahead with publishing the material elsewhere. See NAA: A 12388, 73 A.
Mayne was left with real concerns about the political tactics of a supposed apolitical intelligence organisation. ‘I have certain personal unhappy feelings about the whole issue’ he told the Royal Commission in 1975. ‘I believe that the sort of malpractice that went on, the handing out of ASIO documents, continued quite widely at least until 1972 and possibly afterwards. My feeling is that my own involvement with ASIO was possibly the tip of a very large iceberg. I suspect that ASIO were handing out information to people with right wing tendencies, including members of parliament throughout the nation’. Mayne ended his testimony to the Royal Commission by noting that subsequent articles published in *The Bulletin* newspaper by, Peter Samuel, had quoted from the same ASIO documents that had been given to him (NAA: A 12388, 73 A; NAA: A 8913, Box 1).

These events surrounding *The Analysis* incident are a telling story of how intelligence services and politicians can attempt to cultivate media representatives and use them to sell their own political viewpoints. In this case, it was a clear attempt to use intelligence material as a political weapon to emphasise the alleged subversive nature of left wing politics at the moment a Labor government seemed certain to come to power.
Two aspects of the case are directly relevant to the findings presented in McKnight’s (2008 b) study. The first involves the nature of the relationship between intelligence organisations and journalists. Mayne admitted he was intrigued by the information the intelligence services were offering and what it might reveal. But clearly, the information given to him would have benefited ASIO more than Mayne. This point is made all the more clear given that when Mayne wanted to publish the information elsewhere threats were made against him. In other words, when the political message could not be controlled by the services the operation was dropped. This leads to one tentative conclusion: obtaining secret information can be seductive to journalists but the dissemination of information to the media is valuable to the intelligence service only when that information can be controlled. What effect The Analysis could have produced is difficult to assess given that it never eventuated, but there is more substantial evidence indicating that other ASIO media interventions had outcomes that were more successful.

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Security Clearances

Much of the information given to, Robert Mayne, in 1971 regarded certain left wing activists. One in particular was Robert Gould. Only three months beforehand, at the 29th Federal Labor Party conference Gould called for a report to be published on ‘the vermin planted by ASIO in the unions and other organizations’. Gould declaimed ASIO’s function as ‘completely illicit’. He went on to describe ASIO’s activities as ‘a disguised hidden investigation of political activities, mainly of the Left’. Gould then put to the conference a bold proposal: ‘that ASIO be abolished’. The motion received substantial support and was thereby put to a vote. The result — which would have committed a federal Labor government to the complete termination of the organisation — tied at 22 all. It was only defeated when ALP President, Mr T J. Burns, placed his casting vote in favour of retaining the organisation. Thus, the abolition of ASIO failed by only the smallest of margins (Cameron Papers MS 4614, Box 2; Sydney Morning Herald, June 25, 1971: 2). Needless to say, the attitude of many in the ALP was made abundantly clear. Significant changes were foreshadowed in the security sector if Labor was to win the upcoming federal election (Hocking 1993:64; McKnight 1994: 265). Given the close result of the vote, Gould’s bold proposal did not go unnoticed by the intelligence services.

When the Whitlam government came to office in December 1972, relations between the new government and the intelligence services were cool and dominated by mutual distrust. The Labor Party was highly critical of the previous government’s partisan use of the intelligence services and regarded the services as complicit in such behaviour. To many in the ALP, the intelligence
services had proved to be little more than ‘a de facto wing’ of the Liberal Party and the self imposed guardians of conservative values (McKnight 1994: 246). Labor focused accountability for this politicisation squarely on the former government’s lack of ministerial guidance over the services. On several occasions, Whitlam made reference to the ministerial ‘manipulation of ASIO’ by the Menzies government and the ‘dereliction of duties by successive Attorneys General’ (Whitlam 1985: 161). Questions were raised as to whether the operations of the intelligence community were grounded in considerations other than national security. Although Labor sought reform, it waited another eighteen months before taking any definitive action.

In December 1972, prospective Attorney General, Lionel Murphy, revealed plans that ASIO’s conduct would be subject to closer control by a future Labor government (Canberra Times 7 December 1972: 1). On 22 March 1973, Whitlam hinted further at Labor’s intentions. ‘If necessary, he suggested, ‘the government would reorganise Australia’s security and intelligence services’ (Canberra Times, 22 March 1973: 1). During the double dissolution election campaign in the following year Whitlam took a firmer position. ‘If re-elected’ pledged Whitlam, his ‘government would appoint a judicial inquiry into the structure of the Australian security services’ (Whitlam 1974:34). Labor’s policy toward ASIO steadily built, and signalled a radical departure from the cosy relationship that had existed between the services and the previous government for the twenty years. Needless to say, these announcements caused concern. On several occasions the intelligence services began to push back against the government and instances of politicisation quickly surfaced. Again, the media
served as an effective conduit in which ASIO could express publicly its private criticism of Labor policy.

Even at this very early stage in the relationship between the Whitlam government and ASIO two conditions identified by Rovner (2011) are present: mutual hostility and the need for self-preservation. First, the Labor Party was highly suspicious that ASIO was a bastion of conservative values and hostile to the left. It had for example, only one year beforehand seriously considered a policy that would dissolve the organisation. From ASIO’s perspective, such a policy was probably considered imprudent both in terms of national security but also in regard to its own self-interest. This probably only heightened the hostility between the two parties but may have also contributed to the perception that ASIO would need to protect its own existence. In other words, the possibility of politicisation in some form was very high from the outset.

On 3 December 1972, one day after Labor had won the election, Whitlam met with the permanent heads of the public service and introduced his key advisors, Richard Hall, Eric Walsh, Jim Spigelman, and Graham Freudenburg. According to Whitlam’s Press Secretary, Graham Freudenburg, Whitlam announced that ‘I take full responsibility for these men. I vouch for them and they are not to be subject to security clearances’. Whitlam’s deep-seated suspicions of ASIO were clearly evident as he announced ‘these men are not to be harassed by ASIO’. Graham Freudenburg recalled that this was a gesture meant to demonstrate Whitlam’s personal responsibility for his staff and an expression of confidence in their loyalty (Freudenburg 1977: 260; 2005: 138). But the
security sector saw the matter differently and they seem to have decided the choice as an irresponsible policy. Under a standing arrangement, the Australian Defence Department, the Joint Intelligence Organisation (JIO), ASIO, and the Central Intelligence Agency (CIA), all personal staff of government Ministers, upon taking office, were required to be vetted in order to obtain a security clearance. When intelligence officials learned that the staffs of the new Labor government were not to be subject to standard procedure, they began to push back against Whitlam’s decision.

Shortly after Whitlam’s announcement, Mr M. Worth Assistant Secretary of the Prime Minister’s department reported the decision directly to ASIO. They sent a stern rebuke straight back advising Worth that he should ‘discretely suggest to the Prime Minister that security clearances for his personal staff be sought’. This advice was immediately rejected. Richard Hall, the Prime Minister’s private secretary said that Whitlam ‘did not wish to have his personal staff vetted’. Hall then announced that several additional appointments to be made to the Prime Minister’s staff would also not be subject to vetting (NAA: A 6122, 2134). This news was quickly relayed to US intelligence officials.
Accounts by several of Whitlam’s staff highlight that the response from both the Australian and US intelligence community was less than enthusiastic. John Bennetts, a veteran political journalist for The Herald and The Age accosted Graham Freudenburg about the announcement telling him\(^\text{108}\) ‘no security checks hey? We’ll see about that’ (Freudenburg 2005: 137). That Bennetts was a political journalist may partly explain why he was interested in the events, but it is not the only reason. Bennetts was also an analyst at the Joint Intelligence Organisation and later became their liaison with the CIA when he was appointed the Australian representative in Washington D.C. (NAA: A 6119, 1905). It seems likely that Bennetts’ comments were actually expressed on behalf of both intelligence services. Pressure was being placed on the new government to revoke its decision.

Richard Hall also received veiled threats from the security services. He was informed that security officials in Australia had been greatly alarmed by Whitlam’s decision and that Washington was also very uneasy. Hall learned that if Australia wished to continue to receive restricted information from its American allies, then Whitlam’s staff must be subject to security clearances. No clearances, no information. In rather straightforward terms, United States Embassy official Tom Conlon informed Hall — ‘your Prime Minister has just cut off one of his options’ (Hall 1978: 2). Conlon implied that if staff were not security cleared America would cut the flow of intelligence information with Australia. This severance, if carried out, would have been both publicly

\(^{108}\) Graham Freudenberg and Allan Ashbolt (Director of the ABC’s Special Projects Department) both claim that Bennetts was an ASIO plant in the press gallery. This appears partly true. Bennetts actually worked for the Joint Intelligence Organisation. See: NAA: A 6119, 1905; Freudenberg, G (2005) p. 139 and Ashbolt, A (1974) p. 129.
embarrassing and but also destabilising for the new government. Given the domestic and international consternation aroused by Whitlam’s decision, Sir John Bunting, Secretary of the Prime Minister’s Department arranged for Whitlam to meet with Director General of ASIO, Peter Barbour.

The two met for the first time on the afternoon of 14 December 1972. Notes of the meeting reveal a level of mutual hostility between the two. ‘I am not very well disposed toward ASIO’ was Whitlam’s initial remark, adding that he was not very impressed with the ASIO staff he knew. Barbour chose his words carefully, responding that, twenty-two years in opposition had left the Labor Party with an ‘accumulation of ignorance, misinformation, and suspicion which ASIO was unable to dispel’. The Prime Minister agreed that this had led to an ‘unhealthy situation in many ways’. Barbour then invited the Prime Minister and the government to ‘acquaint themselves with the role and activities of ASIO before forming judgments based on speculation and unfounded assumptions’ (NAA: A 6122, 2134).

Barbour pressed Whitlam on the issue of security clearances, but the Prime Minister tended to skirt around the issue. Whitlam said that he had ‘reserved his decision’ on whether his staff would be security cleared. He wanted to wait until an administrative appeals system could be implemented so that if staff received an adverse security assessment they had grounds on which to appeal. Whitlam said this would ‘bring credit to ASIO’ and Barbour agreed. But Barbour argued the procedure would take some time to implement and meanwhile urged that Whitlam’s staff could still be cleared. Anybody receiving
an adverse assessment, Barbour advised, would still have recourse to appeal when the appeals system was later introduced. The Prime Minister agreed to this. He then gave permission that ‘Departmental Heads refer their staff for security checking by ASIO’ (NAA: A 6122, 2134).

But confusion arose over the issue. The staff of government departments would be vetted by ASIO, but personal staff would not. This compromise was not a satisfactory resolution for Barbour, and as a result, ASIO seems to have taken recourse to the press in order to pressure the government into a full agreement (McKnight 1994:259). In Canberra and Sydney, highly critical stories began appearing in Australian newspapers. Richard Hall described the stories as ‘quasi-inspired leaks’ designed to ‘deliberately and mischievously’ mislead the public (Hall 1978:2). McKnight concluded that the placement of the articles was an ‘ASIO inspired media campaign’ (McKnight 1994: 259). Most certainly, the articles tended to resemble quite similar views as those expressed by ASIO and senior public servants.

‘The Prime Minister has insisted that none of his staff be checked by the Australian Security Intelligence Organisation’ wrote an anonymous pen in the Canberra Times on 18 December 1972. ‘Reliable sources said that the step diverged from the usual practice’. These same ‘reliable sources’, the Canberra Times emphasised, said that ‘it would be up to individual Ministers to decide whether their staff should undergo security checks’. The anonymous pen wrote that this decision had caused concern in departmental circles because ‘access to secret documents would be granted to persons whom the security service knows
little’ (Canberra Times 18 December 1972: 3, Author’s emphasis). The term reliable sources implied that such views were not the Times’ speculation, but rather a view carrying the imprimatur of the security service. As McKnight’s (2008 b) study demonstrated, intelligence information can be attractive to journalists, but it can also be an avenue of expressing the security services’ own views. The Canberra Times presented a selective version of the facts and did not mention that Whitlam had by now instructed ASIO to vet the staff of departmental heads. The article, to some extent, lent to a misconstruction of the events.

Dutifully, The Canberra Times kept the public informed on all the main criticisms of Whitlam’s decision. The next day under the headline ‘Decision by PM creates problems’, it ran a far more alarming story. The story not only implied that Whitlam’s decision was illegal, but also it restated the private comments made by Conlon to Hall in regard to the severance of the US–Australian intelligence relationship. ‘Defence and political intelligence on which Australia has relied heavily in recent years could quickly be closed. The decision is expected to result in immediate difficulties with US and British intelligence agencies. Ministers with unscreened staff could be breaking the Crimes Act’. The story then made an even more important revelation:

All likely members of the new government are believed to have been screened already by ASIO although some of the new members of the House of Representative may not have been processed.

(Canberra Times 19 December 1972: 7 Author’s emphasis)
This was a revealing statement. Although Barbour was told that Whitlam had reserved his decision not to have personal staff cleared, it seems that ASIO had started to vet Whitlam's staff without his permission. But just how had ASIO obtained such information? Was ASIO collecting information on political candidates before they became members of parliament? One of Whitlam’s staff, Richard Hall, who was personally involved in these events, quickly pointed out that ‘politicians do not fill out forms with personal references on running for office. It can only be deduced that the information for processing was obtained in clandestine ways’ (Hall 1974: 3). Further evidence from McKnight reveals that some of Whitlam’s cabinet, indeed, had security files dating from 1947. Among them were: Jim Cairns, Clyde Cameron, Tom Uren, Jim Cavenagh, and Moss Cass along with a number of Whitlam’s backbenchers. Curiously, the majority of these files were destroyed just before the 1972 election, and later, more where destroyed on the instruction of Justice Edward Woodward when he was appointed Director General of ASIO in 1975 (McKnight 1994: 265 & 325; Miller 2006: 32).

Whitlam met Barbour the day the Canberra Times article was published. Barbour raised the issue of security clearances and showed the Prime Minister the newspaper article saying that ‘by not going through the familities [sic] an unnecessary controversy had arisen’. Whitlam refused to back down, repeating that he had ‘complete confidence in his staff’ and argued that if he were to subject them to a vetting procedure ‘they would feel he did not trust him’. Cunningly, Barbour replied that if the Prime Minister had such confidence in his staff a security check ‘would be a mere formality’, and any more controversy
might be avoided. At this point, Whitlam may have started to succumb to ASIO pressure and the American threat to withhold intelligence cooperation. He asked Barbour to report on the US and British reactions. Considering the wider ramifications of his decision, Whitlam begun to show signs that he was willing to back down. He told Barbour that he would discuss the issue with Lance Barnard (NAA: A 6122, 2134).

It is likely that some intelligence officials continued applying pressure on the government by agitating in the press because two more stories followed in The Canberra Times and the Sydney Morning Herald. Both articles contained information that had been discussed privately between Whitlam and Barbour at their meetings on 14 and 19 December. The Canberra Times anonymously penned an article emphasising that public servants had always been subject to ASIO vetting before being given security clearances. ‘Now it appears that the new government is to operate a double standard in this respect, shielding from ASIO members of Ministers personal staff. This is grossly unfair’ reasoned the Canberra Times. The article then commented about the security appeals tribunal that Whitlam and Barbour had discussed. ‘The government would be employed if, instead of putting some favoured employees out of reach of ASIO, it instituted a system which would allow the subject of an ASIO report... to appeal against the findings’ (Canberra Times 21 December 1972: 2).

The Sydney Morning Herald published a similar article the next day, and again, no author was credited for the story. Whitlam’s decision not to have his staff cleared was ‘simply puzzling... and highly embarrassing’ editorialised The
Herald on 22 December. The Americans were ‘absolutely emphatic’ that friendly governments wishing to receive security information must have their staff cleared. The article paid particular attention to the threat of ending intelligence cooperation between Australia and the United States. Not only would this severance impact on issues of national security, but also severely damage matters of foreign affairs and defence. ‘The most curious aspect of the whole affair is that the Prime Minister’s action was not necessary’. Just as Barbour had suggested to Whitlam, The Herald reasoned that if the Prime Minister ‘had his staff cleared by ASIO a highly embarrassing situation would never have arisen’ (Sydney Morning Herald 22 December 1972: 6).

It appears that ASIO’s media strategy was taking effect. On 2 January 1973, Sir John Bunting relayed a message to Barbour indicating that Whitlam would change his mind. ‘The Prime Minister had registered the significance of the point’, said Bunting, ‘and appeared to be verging on agreeing to the checks’ (NAA: A 6122, 2134). Now the Opposition applied its pressure. Billy Snedden demanded urgent advice on the state of the intelligence alliance. Whitlam had the Department of Defence, and Foreign Affairs, look into the question and they reported that there had been no disruption to the flow of classified material (Hall 1978: 4). Officially, there was no threat to the intelligence alliance, but the damage had been done. On 8 January 1973, Whitlam backed down. Attorney General, Lionel Murphy, told Barbour that the Prime Minister had now agreed to the security vetting of his staff (NAA: A 6122, 2147). The Canberra Times and The Australian immediately reported that Whitlam had ‘reversed’ his decision. ASIO was now to conduct full checks on all Prime Ministerial staff and those of the

**Preliminary insights**

There is, perhaps, one main theme running through this event: the improper dissemination and leaking of intelligence material to the media in order to undermine the government’s policy decision. Circumstantial evidence indicates that intelligence leaks played a role in pressuring Whitlam into changing his policy. That is, ASIO leaked selective information to the press that would undermine the government’s standing in an attempt to have the security clearance policy reversed. Based on the available evidence it is perhaps reasonable to assume that intelligence officers cooperated in some way with media representatives to achieve this goal.

This evidence suggests two further conclusions. Both give some relevance to Bar-Joseph’s earlier findings. First, there appears to have been a thorough lack of government control over the intelligence service. But this is perhaps reasonable given that when the episode began Whitlam had not been sworn into office, and by the time the episode had concluded, his government had been in office less than two months. While Labor sought reform, it had had no time to make any changes to control or oversight. Second, as Bar-Joseph’s study has indicated, there appears to have been a low level of professional ethic. The intelligence service itself exhibited a highly unsatisfactory level of
professionalism. For example, rather than maintaining political neutrality and serving the policy interests of new government, it appears ASIO tried to undermine the government through well-placed leaks of information in the press. This could have been due to several factors. ASIO may have felt that Whitlam’s decision was simply a bad policy choice. Or it may have felt that any security breaches resulting from the decision would have been blamed on them. It may have also been taken as an indication that ASIO was not needed and thereby a means of self-protection.

For the past twenty-three years, ASIO had served a Liberal government, and for much of that time many of its surveillance targets were from the left of political spectrum including members of the Labor Party. Moreover, the former government had officially sanctioned these media interventions as a means of countering communist propaganda. It could be concluded that a lack of political control, coupled with a high level of unprofessionalism, led to ideal conditions in which politicisation could occur.

These two conditions may have fostered within the intelligence service a certain kind of attitude. It appears that some ASIO officers interfered with the policy of the Whitlam government because they considered such a choice was imprudent. This itself points to another condition, which may have allowed politicisation to occur: the failure (or refusal) to adapt to a changing political environment. ASIO’s tacit interference with the policy choice of the Whitlam government reflects an unwillingness to accept the legitimacy of a new Labor government and an adherence to the previous conservative political orthodoxy.
Rather than advise the government that its policy choice might be unwise, and identify the possible ramifications, ASIO sought an ulterior method of addressing the issue. It sought recourse to the press to refute the government’s policy and coerce the Prime Minister into altering his decision. However, the nature of the evidence in this case makes it difficult to determine who was actually responsible for directing such actions and from where the leaking of the intelligence material to the press came from. Although the primary evidence does not directly identify the culprit, it does point to where the culprit might be found. It is highly probable that the origin of the leaks and thereby the selective information contained in the stories, came from the Australian intelligence officers, who had established close ties with and supplied information to the Australian media.\textsuperscript{109} The following discussion now turns to examine this evidence as a means of providing further support to the above claims.

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The Bulletin

On 22 June 1974, *The Bulletin* newspaper published an article by journalist, Peter Samuel, regarding the new Deputy Prime Minister, Dr Jim Cairns. Samuel’s article was based on a twelve-page assessment of Cairns prepared in 1971 by ASIO’s Special Projects Section and titled: ‘An ALP Socialist Looks at the Australian Parliamentary System’ (NAA: A 12694, 18). The information given to Samuel was probably intended to discredit Cairns’ standing and propagate ASIO’s own political views. But the exercise failed miserably when Samuel took a decidedly different approach. Rather than emphasising Cairns’ socialist tendencies, Samuel chose to focus on what might be considered the miscreant conduct of ASIO’s media interventions. Extracts of the material published by Samuel bears repeating because it provides valuable insight into the partisan political views ASIO wished to be placed into the public arena regarding a senior member of the Labor Party. Indeed, as Samuel noted the most ‘sensational aspect’ of the information given to him is that ‘it will confirm in the minds of many government members... the long standing hostility and antagonism of the security service toward the Whitlam government’ (*The Bulletin* 22 June 1974: 8).

Samuel reproduced several passages from the ASIO document. The first provided an assessment of Dr Cairns’ political philosophy. It reported that the form of ‘Socialism’ advocated by Cairns ‘bears a striking resemblance to that promoted by the Communist Party of Australia’ announced at its 22nd Congress in March 1970. Reference was also made to Cairns’ attitude regarding the future of security services noting that ‘Cairns would curtail the powers of security
organisations] engaged in political and cultural intimidation’. ASIO suggested that Cairns would advocate for ‘the politicisation of all organisations, including factories, schools and Universities’. The assessment concluded with the comment that Cairns’ activities ‘could lead, via civil, industrial and political unrest to the growth of elitism in every sphere, to the manipulation of demagogues, to the fascist cult of personality, to the worship of force, and to the destruction of the democratic parliamentary system of government and replace it by a form of collectivism. That way’ the assessment stressed ‘lies anarchy and in due course left wing fascism’ (The Bulletin 22 June 1974: 9). Samuel’s article tends to confirm that ASIO had been compiling reports on members of the Labor Party for a number of years and it was now disseminating them to the media.

The following day in an interview with the Sunday Telegraph Attorney General, Lionel Murphy, argued the same point stating that ‘ASIO had been involved in large scale leaks of its files over a number of years’. Murphy said that he had interviewed members of ASIO in March 1973 about the leaking of political information regarding people affiliated with the left, similar to those contained in The Bulletin. ‘First they denied it’, said Murphy, ‘then they admitted it’. Murphy was ‘absolutely horrified’ to find that despite written instructions to cease this activity the organisation was still engaged in ‘passing out information designed to damage people with whose political beliefs ASIO officers did not agree’. Whitlam was said to be furious. He ordered an immediate investigation (Sunday Telegraph 23 June 1974:7).
Shortly after, Whitlam met with Deputy Director of ASIO, Phillip Gilbert, and senior staff to discuss The Bulletin’s article. Whitlam demanded to know: what ASIO material the article had been based on, who wrote it, under whose direction, and what were the circumstances of it being released to the media. Gilbert confirmed that the material contained in The Bulletin was indeed based on the aforementioned ASIO Special Projects document. The author of the document said Gilbert, was Robert Swan, a researcher in ASIO’s Special Projects Branch. Despite this admission, Gilbert insisted that the document was not an assessment of Cairns but rather a ‘collection of public utterances, and activities and an interpretation of them’. Attempting to mitigate ASIO’s culpability, Gilbert went on to explain that the practice of distributing material to the press via the Special Projects Branch had been approved by the former Attorney General, Sir Garfield Barwick. On his instructions, ASIO was permitted to ‘provide material to the press’. Whitlam asked for an assurance that ‘this sort of stuff’ is no longer produced by ASIO. Gilbert assured Whitlam that the ties between ASIO’s Special Projects Branch and the media had been severed in September 1972. In relation to how the press had access to ASIO material, Gilbert mentioned that at the time of the Skripov affair, ASIO had distributed files to the press and that Peter Samuel was among such journalists. Whitlam ended the meeting by requesting a list of all other journalist involved (NAA: A 12694, 18).

Later that day Director General of ASIO, Peter Barbour, sent Whitlam that list. While this archival document identifies some of the journalists involved, many of the names are still expunged from the record. The document does, however, contain some important names and publications. For example, Peter
Coleman of The Bulletin and Quadrant magazine is named as one journalist that received ASIO files. Another is Robert Mayne from the Sydney Morning Herald. It is from this evidence — and that provided in the preceding discussion — that it would seem reasonable to conclude that ASIO had for a number of years supplied selective information to ‘dependable’ journalists in order to promulgate their own political views. In a curious endnote to the list given to Whitlam, Peter Barbour claimed that the publication of ASIO information in The Bulletin ‘appears to result from a breach of trust and not from an unauthorised leakage’ (NAA: A 12694, 18). The Prime Minister, however, did not agree.

Whitlam later reflected that the dissemination of ASIO material to the press was wholly unwarranted and outside its function (Whitlam 1985:171). On 2 July 1974, he held a press conference at Parliament House, Canberra. One reporter asked the Prime Minister whether he was concerned about the articles appearing in The Bulletin. Whitlam simply replied that ‘anybody who wants to know the titles and dates of the documents in this category which were prepared by ASIO can get that list from Mr Walsh as soon as this gathering disperses’ (Whitlam 2 July 1974: 8). In doing so, Whitlam released the full content of one ASIO document that had been supplied to The Bulletin entitled: ‘Croatian Nationalist Movements and Activities in Australia’ along with the titles of sixty-seven other briefing papers which ASIO had distributed to the Australian media between the years of 1962 through to 1972 (NAA: A 12694, 18). All of the documents originated from ASIO’s Special Projects Branch.
Consequently, The Bulletin’s publication, and the public exposure of the sixty-seven briefing papers Whitlam released, revealed the extent of ASIO’s media operations and the political purpose to which they were put. This was a pivotal moment for the Whitlam government because it not only demonstrated how politicised ASIO had become, but also substantially justified his previous commitment to reforming the Australian intelligence community. The result was not only the airing of ASIO’s improprieties, but also the most substantial review ever conducted of the Australian intelligence services.

**Hope**

‘*We found a security service that had been badly politicised*’

In a press statement released on 21 August 1974, Whitlam announced the appointment of, Justice Robert Marsden Hope, of the New South Wales Supreme Court as Royal Commissioner to inquire into Australia’s intelligence and security services (Media release 21 August 1974:1). The Hope Royal Commission, as it became known, was convened to inquire into the history of the intelligence and security services of Australia, with reference to the purpose, function, and administration of each agency, the general coordination, control and direction of the services, and the use made by the Australian government of the information provided by the organisations. The Commission provided recommendations to the future status and operations of the intelligence community (NAA: A 8908, 1).

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The Commission began hearings in March 1975 and delivered its final report to the Governor General on 21 April 1977. In total, Justice Hope delivered eight reports many of which contain several volumes and appendices. The findings of the Royal Commission placed in the public domain a substantial amount of evidence about how the Australian intelligence community had interacted with politics, government, the media and wider society for the previous seven decades. Whitlam’s promise to reform the intelligence community had begun, however, his government would not survive to see any of Hope’s recommendations implemented. This would be left to the Fraser government.

The fourth report of the Royal Commission comprising four volumes was presented to the Governor General on 24 December 1976. It dealt specifically with ASIO and examined the central issue discussed in this section of the chapter: the issue of leaks and improper dissemination of intelligence to the media. During the course of his inquiry, Hope found that on several occasions ASIO had provided intelligence material to institutions and people that were not its rightful consumers. ‘Evidence available to me’, reported Justice Hope, ‘satisfies me that ASIO has in the past provided selected people with security intelligence material for publication. It seems to have been ASIO’s intention that the material not be attributed to it’. On this issue, Hope accepted Robert Mayne’s testimony and cited his case as a specific example of this ‘misconceived enterprise’. The evidence presented to the Commission confirmed that ASIO’s Special Projects Branch was, indeed, responsible for the production of this material. Justice Hope went on to contend that ASIO’s Special Projects function of
disseminating material to media outlets was ‘improper in the extreme’ and a practice that ‘must not be allowed to resume’ (NAA: A 8908, 4 A: 128–129).

In Hope’s view, the dissemination of intelligence to the press was beyond the organisation’s function. He stated that ‘ASIO should not provide security intelligence, in any form, either directly or indirectly, and whether on an attributable basis or not, to the press or other media’. Hope made it clear that such actions would likely result in politicisation which in turn could undermine ASIO’s effectiveness. To be an effective organisation, Hope concluded that ASIO must have the confidence of all political parties. ‘If ASIO becomes directly involved in the public dissemination of security intelligence, it is likely to be accused of taking a partisan political position. It is most important that ASIO be beyond reproach in this regard’ (NAA: A 8908, 4 A: 128–130).

Perhaps the most important condition underpinning why the disclosure of intelligence had been allowed to find its way into the public sphere through the media without any consequence was made by Hope in the findings of his fourth report. The problem stemmed from an ambiguity in the 1956 ASIO Act (Cwlth). As Hope pointed out ‘the [1956 ASIO] Act contains no express provisions prohibiting the unauthorised or improper communication of intelligence, and imposes no penalties in this regard’ (NAA: A 8908, 4 A: 116). Effectively, a liberal reading of the legislation enabled the Director General to use his own discretion regarding to whom intelligence was communicated.
The issue related specifically to Section 5 (1) (a) of the Act. This clause authorised the Director General to communicate intelligence to such persons and in such manner as the Director General considers to be in the interests of security (ASIO Act 1956). This point indicates that, although the leaking of intelligence material to various media outlets was improper, and perhaps an aberration of ASIO’s function, it was not beyond ASIO’s statutory limits and therefore not illegal. Because ASIO spoiling operations were rationalised as counter propaganda activities — and thus, a legitimate matter relating to national security — the circulation of some intelligence material could be justified under legislation. As a result, the leaking of intelligence to the press provided the perfect opportunity in which ASIO could express its private political views in public. Most importantly, the practice was essentially legal and thereby did not entail any costs to the intelligence service. This point is very closely aligned to the findings provided in Bar-Joseph’s (1995) study in which he found executive oversight was not sufficient to limit intelligence intervention in politics. However, in the above cases, rather than limitations of executive oversight it was limitations found within the legislation that enabled ASIO to intervene in politics via media intercession.

Justice Hope recognised that the legislation had potential for abuse. ‘Any Director General who reads section 5 (1) (a) of the ASIO Act as authority to engage in propaganda, however “laudable” embarks on a misconceived enterprise’ (NAA: A 8908, 4 A: 128–129). It was on this point that Hope recommended a provision be inserted in to the Act ‘to control the dissemination of security intelligence, and prohibit improper or unlawful communication of
such information’. But Hope argued that the decision regarding the dissemination of such material remain with the Director General. He stressed it must only be disclosed if such material was pertinent to national security. Hope recommended that any disclosure by other unauthorised persons be prohibited and subject to severe penalties (NAA: A 8908, 4 A: 255).

On Hope’s advice, amendments were later made to the *ASIO Act 1979* (Cwlth) and a clause inserted which imposes a penalty of two years imprisonment for the unauthorised communication of information (*ASIO Act 1979*, Part 3, Section 18 (1&2)). Nevertheless, the power to communicate intelligence on behalf of the organisation remains, to this day, a discretionary power vested in Director General.

**Conclusion and preliminary findings**

The preceding discussion shows how an intelligence service can use its own product as a political weapon through the selective dissemination of that information to the media. The chapter introduced the historical context regarding the ASIO–media relationship and then focused on three case studies to provide an analysis of how this interaction can be understood as a form of politicisation. Evidence indicates that the very institution charged with collecting and securing the secrets of state, did on occasion spin those secrets for political advantage. Several tentative findings have already been stated relating to what conditions underpin this behaviour in each of the specific case studies. The following discussion reviews this analysis and then provides a conclusion regarding the findings.
Previous examinations of the interaction between intelligence organisations and the media do to a certain extent help support some of the findings already presented in this chapter. For example as with McKnight’s (2008 b) study, this chapter tends to confirm that the relationship between ASIO and the media was unbalanced. In most instances, it was ASIO, or the conservative side of politics that benefited from the leaks. Likewise, a similarity between Rovner’s (2011) concept of ‘intelligence subverting policy’ through well-placed leaks to the media was apparent in the case regarding security clearances. A dominant feature of this case was that well-placed leaks to the press seem to have acted as a means of maintaining pressure on the government. Although Whitlam eventually changed his mind on the issue of staff security clearances, it cannot be ruled out that such repeated criticism and media questioning regarding the wisdom of the decision was a result of pressure emanating from somewhere within ASIO and expressed through the media.

Findings from Bar Joseph’s (1995) study are also relevant. Issues regarding a low level of professional ethic and attempts at political intervention are only partially evident. More importantly, however, issues pertaining to political control and oversight are abundantly clear. In all of the cases examined in this chapter, legislative mechanisms were not sufficient to limit ASIO from intervening in politics through the media, but rather may have facilitated such actions. Essentially, ambiguities within the \textit{ASIO Act 1956}, and the discretionary powers vested in the Director General, allowed ASIO to use the media as a tool of
political influence and spin. While the findings of these studies help draw some initial conclusions, some factors need further examination.

In each of the cases examined, there are several important conditions that may have stimulated ASIO to leak information to the media. Perhaps the most remarkable condition that explains ASIO’s use of the media as a political intercessor is that such behaviour was sanctioned under an ambiguity contained in the Commonwealth legislation. In this sense, ASIO’s use of the media was perhaps improper, but it was not unconstitutional or illegal. Given this situation the question of professional ethic is, perhaps, redundant because ASIO’s use of the media was within the legislative framework of the *ASIO Act 1956*. However, that such a situation could have arisen reveals one significant conclusion. During the period under discussion, the legislative oversight mechanisms designed to prevent the political abuse of the organisation’s powers, actually imbued the organisation with the power to conduct such activity in a legal fashion. As a result, the cultivation of media assets and the dissemination of selective intelligence material to them, no matter how prejudicial, did not entail any significant costs to the intelligence organisation itself. Moreover, it probably only intensified such behaviour.

When comparing the findings of the aforementioned cases there are some similarities worth further examination. Each of the cases examined exhibits one particularly strong theme in relation to why this practice can be understood as a form of politicisation: a clear political bias in the content of the information leaked. The overwhelming majority of the information provided to the press by
ASIO focused on left wing political issues. This bias was barely offset by information leaked to the media that focused on right wing politics. For example, of the sixty-seven ASIO papers that Whitlam identified as being leaked to the media, only two papers were focused on right wing political issues. This evidence implies a clear intention to either embarrass or discredit individuals associated with the left and Labor Party policy. In light of such evidence, it is probably reasonable to conclude that ASIO’s leaks to the media had a clear partisan political motivation.

There is also another similarity in each of the cases examined that is significant for analysing how such actions constitute politicisation: the timing of the leaks. For example, in the case of Robert Mayne and The Analysis magazine explanations can be found at two levels. First, only three months before Mayne was approached to establish the magazine, the ALP Federal Conference had seriously considered abolishing ASIO. Second, The Analysis magazine would have begun production at a time when it seemed almost certain that the Liberal Party’s twenty-three year term in office was coming to an end. It is perhaps no coincidence that with the possibility of a new Labor government coming to office that intelligence files were supplied to a magazine with the intention of publishing discrediting information on left wing individuals.

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The timing of the leaks in regard to the security clearance case is also relevant. Only two weeks after the Whitlam government assumed office and announced its intention not to have staff security cleared, damaging stories began appearing in several Australian newspapers. Similarly, on 10 June 1974, Dr Jim Cairns became Deputy Prime Minister. Twelve days later *The Bulletin* published extracts of an ASIO dossier on Cairns, which tended to underscore his ‘Socialist’ tendencies and emphasise his ‘radical’ political views. In each case, there appears to be a strong correlation between the timing of the leaks, the publishing of that information, and a significant political event.

This points to a second conclusion. It was at important political moments that intelligence was leaked and then published. This suggests a concerted attempt to undermine and discredit the political significance of those events. The importance of leaking and publishing at the opportune time must surely be that it presents the maximum chance of inflicting the most political damage. To a large extent, the timing of the leaks and their subsequent publication constitutes enough evidence to suggest that the leaks were, indeed, politically motivated.

A key consideration in understanding the events under discussion is: what was the actual purpose of leaking information to the media? The evidence indicates that ASIO had a long history of using the media for the legitimate purpose of counter propaganda activities. But it also shows that ASIO had a history of leaking selective political information to the media that would damage the standing of left wing organisations and individuals. With the Mayne–Analysis case, ASIO attempted to establish a magazine with the express purpose of
discrediting the Left. With the security clearances case, it appears ASIO has some success in using the media to pressure the Whitlam government into changing its mind. And with The Bulletin disclosures, there is clear evidence that ASIO was collecting and distributing information on Labor Party politicians to the media. In the final analysis, it seems highly questionable that such information was distributed to the media on grounds of enhancing national security or for the purpose of countering communist propaganda. Perhaps the irony is that, ASIO’s media intercessions were politically hazardous, not only for those it sought to discredit, but also for the organisation itself. In the end, when ASIO stepped from the shadows into the spotlight it received more public criticism for these operations than those it had attempted to criticise.
Part III

Discussion and conclusion
Introduction

This thesis has addressed the problems of past intelligence and policy relations in Australia, focusing specifically on the issue of politicised intelligence. Section one of the study introduced the historical components of the study and examined the theoretical principles underpinning the problem of politicisation. Section two evaluated, through detailed case studies, the history of politicisation in Australia identifying how and by what means political leaders have manipulated intelligence to vindicate or advance their policy preferences. The study examined the forms, or techniques of politicisation, occurring in the Australian historical context, and described the broader conditions that can be used to explain this behaviour. The empirical evidence presented in section two aimed to fulfil two key tasks. The first was to show how intelligence and policy relations, as they occur under various government administrations, has been politicised and used to serve partisan political interests. The second was to provide answers to three research questions: (1) how, and by what means has intelligence been politicised in Australia, (2) which forms of politicisation can be found in the Australian context, and (3) under what conditions is intelligence likely to become politicised. Each case study provides preliminary conclusions regarding the principal research questions. These conclusions are case specific and summarised within the respective chapters. Section three will synthesise that evidence and present the key findings in response to the study’s three research questions and then summarise the conclusions.
Chapter Seven

The means, forms, and conditions of intelligence politicisation: An assessment

Key findings: The means

In response to question one, the empirical case studies reveal four principal means of politicisation in the Australian context. They are: (1) promotion, mainly by using intelligence to promote the rationale and necessity of a policy choice, (2) persuasion, often through the public disclosure of intelligence to persuade a sceptical audience toward the wisdom of a policy initiative, and (3) by using intelligence to discredit an opposing policy or political position. However, the findings indicate that intelligence organisations tended to politicise intelligence for a fourth reason: to subvert or undermine a policy initiative or political goal. Taken together, these findings provide a basis for understanding how politicisation has occurred in Australia. Although each of these means are somewhat linked they can be studied as discrete units of analysis. The following discussion examines each unit of analysis for the purpose of providing a detailed answer to the first research question.
Chapter one reveals two of the four means of politicisation identified above. Consider, for example, case study one: ‘the New Hebrides’. Evidence indicates that the Barton government directed an intelligence official to obtain information that would help achieve its predetermined foreign policy goal. In this case, the Barton government was not seeking guidance on developing a policy, but looking for information to justify a policy it was determined to implement. The means of politicisation in this case were promotion and persuasion. Wilson Le Couteur was dispatched to the New Hebrides to collect information that the Barton administration could use to persuade the British government into annexing the islands in the interests of Australian security. More importantly, this intelligence was then selectively presented to the public through publication in *The Age* newspaper. The objective was not only to promote the wisdom of such a policy position to domestic audiences, but also to persuade the British government of the need to implement such a policy. In this case, intelligence was not used to inform policy development, but to advocate for it.

Politicisation as a means of promoting a predetermined policy choice was also a significant theme occurring in case study three, outlined in the first chapter. In 1905, the Deakin government had argued strongly that an emerging Japan posed a significant threat to Australian security. His government pressed for a policy that would see Australia take responsibility for the naval defence of its principal ports and harbours. Community fears, inflamed by the media reporting, suggested that Japanese spies were mapping Australian coastlines in order to prepare for raids and possible invasion. Deakin argued for the creation
of an Australian naval squadron to address the possibility of Japanese raids and defend against any naval incursions. But the British government dismissed the idea that Japan posed any threat to Australia and argued that the British naval presence in the Pacific would preclude any possibility of invasion. Initial intelligence assessments fell in line with the British view and discredited the claims of Japanese spying. The Deakin government subsequently rejected these intelligence estimates. It did, however, accept a revised intelligence assessment indicating evidence of Japanese spying, which proved to be more consistent with the government’s policy goals. This case suggests that when intelligence organisations produce different assessments of the same problem, political leaders will tend to accept those that support their policy positions and reject those that do not. The supporting assessments in this case were then invoked to promote the policy of an Australian naval squadron and persuade those who doubted the necessity of such policy.

These findings suggest that politicising intelligence can be used as a political strategy. For instance, political leaders may use intelligence to advance their own political goals while also using it to obstruct others from achieving theirs (Hastedt 2013: 10). Although this study supports the proposition that politicisation can be used strategically for the means of promotion, persuasion, and discrediting opposition, it also shows that such a strategy is rarely successful. This is made clear in the findings of the third chapter. For example, Prime Minister William Hughes, sought and obtained intelligence information that could be used to bolster public support toward his government’s policy of compulsory military conscription during the First World War. Hughes used the
intelligence services to supply information that could be used against his political enemies and discredit those who opposed his policy goals. Groups and individuals opposed to the government’s policy were put under surveillance and thoroughly scrutinised because they threatened the success of the policy of military conscription. In this case, politicising intelligence did become part of the government’s strategy. Intelligence was used to promote the wisdom of the policy of military conscription, persuade domestic audiences toward voting for the policy in two referenda, and to discredit the standing of groups and individuals opposed to Hughes’ policy position. Despite the politicisation of intelligence as a political strategy, the findings from this chapter show it was unsuccessful. The results of two referenda saw the policy of military conscription defeated on both occasions.

But the use of intelligence as a political strategy can go beyond the cut and thrust of electoral politics. Findings indicate that politicisation can emerge as part of a political battle for control and influence over the intelligence bureaucracy. This involves political leaders, or intelligence organisations, broadening their influence over the administrative environment to establish tighter control over the operations and conduct of an intelligence service. Tighter administrative control thereby enables closer conformity to policy deliberations. Chapter four considered this process. Findings indicate that in the late 1940s a paucity of intelligence policy led to a fragmented and highly personalised intelligence community. Both military and civilian intelligence services served the interests of their respective political masters. When two public servants were appointed to address maladministration and reform,
political and military leaders intervened and manipulated the inquiries to maximise their own interests. The military used its intelligence resources to not only maintain autonomy from government, but also to discredit the lead investigator, Lieutenant Colonel John Mawhood, and to disguise allegations of corruption, failings, and abuse.

Political leaders did the same but for a different reason. They used the civil intelligence services to manipulate the Duncan inquiry so that it would deliver findings allowing their expanded control over the intelligence services. In sum, controlling reform mattered because controlling the bureaucracy meant that the intelligence services could be moulded to suit the political needs of its masters. In the end, intelligence reform was hobbled by a politicised inquiry and bureaucratic self-interest.

Although these findings suggest politicisation is not usually an effective strategy for advancing partisan political goals, nevertheless, it remains an inherently ‘persuasive act’ (Rovner 2011: 48; Woodard 2013:97). Chapter five proposed that when political leaders face strong opposition to a policy choice, intelligence could be used to persuade a sceptical audience toward their political goals. The chapter demonstrated how intelligence could be used to fend off attacks by discrediting political opposition. For example, when introducing the Communist Party Dissolution Bill in 1950, Prime Minister Robert Menzies, cited ASIO–derived intelligence material in parliament to emphasise that the Communist Party had an undue influence on the Australian Trade Union movement. Although intelligence was used to substantiate this argument, the bill
was unsuccessful and eventually declared invalid by the High Court. Still, successive Attorney Generals persisted with the same tactic of using intelligence in parliament to denigrate their political opponents. On a number of occasions during the Vietnam War intelligence was disclosed to the public to exaggerate the alleged subversive nature of the Peace Movement and to justify the government’s heavy-handed response to it. Likewise, MP William Wentworth pressured ASIO to supply him with intelligence information that he could then use in public to expose and discredit anyone that was allegedly involved with the Communist Party. In each instance, intelligence was used strategically to promote, persuade or discredit. It was politicised because political leaders solicited intelligence not to inform policy development and advance national aims, but to substantiate a predetermined policy goal and disarm threats to this goal.

Political leaders may work on the assumption that intelligence organisations exist to support the development of their policy objectives (Lowenthal 2004: 234). But this assumption may represent an idealised relationship between intelligence and policy. Evidence suggests that at times intelligence organisations can do the opposite and actually work to undermine a policy goal. Chapter six offered several examples of an intelligence organisation intervening in the politics of a democratically elected government to undermine a policy initiative. Subverting policy in these cases became a means of politicisation.
Evidence presented in chapter six demonstrates that intelligence officials leaked selective information to the media which was designed to discredit the Communist Party of Australia, left wing activists, and the peace movement, but also to undermine the Whitlam government’s security clearance policy. Two aspects of this strategy indicate why the leaks could be deemed politically motivated. First, the overwhelming majority of the information leaked to the media was intended to damage left wing political issues. Almost none of it contained criticisms of conservative or right leaning political groups. Second, the timing of the leaks was important. It was at politically opportune moments that intelligence material was leaked and then published indicating that the purpose was to inflict the maximum political damage.

In this thesis, evidence suggests that when political leaders face strong opposition to a policy choice they will often be tempted to politicise intelligence. They tend to do this as a means of promoting their policy goals, persuading a sceptical audience toward the wisdom of their decisions, or to discredit groups and individuals that oppose their policy positions. Politicising intelligence as a means of achieving these goals is rarely successful. On other occasions, evidence indicates that intelligence organisations might engage in similar patterns of behaviour but for different reasons. The organisation may use their own resources to undermine the political leadership or subvert a desired policy goal of a government if they believe that policy or administration to be a threat to their organisational interests. In sum, the politicisation of intelligence is the result of actions occurring in two separate groups: those of political leaders and intelligence organisations, each of which has its own motives. These findings are
expanded upon further in the proceeding discussion, which attempts to identify in greater detail how the forms, or techniques of politicisation, can operationalize the means.

**Key findings: The forms**

As discussed in chapter one, scholarly attention to the subject of intelligence politicisation has made important advances to the field of study. Extant research has uncovered many instances of politicisation, identified the variant forms it can take on, and provided analysis of why it might occur. Yet, more work needs to done. First, most of this literature is focused on the US or U.K. experience.\(^{113}\) With a few exceptions,\(^{114}\) very little research has focused on Australian context. Second, the literature still lacks any general consensus about what exactly constitutes politicisation, and third, it also lacks any substantial theoretical discussion on the relationship between the forms of politicisation and the means of politicisation. Question two of this thesis: *which forms of politicisation can be found in the Australian context*, was designed to evaluate these issues. The aim is to identify which of these variants had occurred in the Australian historical context and probe their structure. But this question also raised another finding. There appears to be a relationship between the forms

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\(^{114}\) See: Ball, D (2001) and McKnight, D (2008 a).
and the means of politicisation. This finding is explained in greater detail in the following discussion.

In response to question two, the type of evidence produced in this study provides a speculative rather than definitive answer. Three key findings, however, are worth noting. First, seven forms of politicisation were identified in the case studies, although some forms were more prominent than others. Second, these forms of politicisation appear to put the means into operation. And third, most forms of politicisation seem to be inter-related and occur simultaneously. The following discussion will focus on identifying and explaining the significance of these forms of politicisation and discuss their connection with the means.

(1) Direct manipulation

In this study, the first identified form of politicisation is direct manipulation. Although the parsing of direct manipulation varies from those described as ‘top–down politicization’ through to ‘hard politicization’ it typically involves efforts from political leaders to force intelligence assessments to fit policy-making preferences (Betts 2007: 67; Hastedt 2013: 10). In its more overt form, direct manipulation tends to occur when intelligence officials are told what conclusions to reach. But forcing intelligence to conform to policy prescriptions can also come about through more understated methods. Mulgan (2007) and Rovner (2011) for example, cite evidence of direct manipulation occurring as a result of appointing like–minded intelligence officials who can be relied upon to deliver information to please their political masters. Other studies (Riste 2009;
Lucas 2011) affirm that on rare occasions direct manipulation can transpire through the creation of politically motivated intelligence bodies. This study's findings are consistent with this literature.

Identifying instances of direct manipulation in this study was elusive, but some evidence points to it occurring. Direct manipulation in an overt form was only present in the second case study of chapter two dealing with ‘New Caledonia’. It appears that Major General, Edward Hutton, directly intervened in the intelligence collection and assessment process in order to control the outcome. In this case, first Hutton removed an intelligence officer who produced an intelligence assessment that did not please the War Office in London. He then appointed an officer whom he trusted would deliver intelligence material that was more conducive to both his and the War Office’s military goals. Second, Hutton directly intervened in the analytic process to ensure the intelligence product would conform to his and the War Office’s desired objectives. In this case, evidence indicates a relationship between the form, or technique of politicisation, and the means. The form of direct intervention enabled Hutton to ensure that the intelligence produced would be persuasive enough to please the War Office thereby promoting their objectives.

Other forms of direct politicisation are more obvious. The appointment of intelligence officials sympathetic to government policy is one means of ensuring that intelligence will be more conducive to achieving policy objectives (Jervis 2010: 200; Rovner 2011: 30). This was found in chapter three when Prime Minister, William Hughes, appointed Major George Steward, to head the Counter
Espionage Bureau in 1916. Hughes and Steward not only held similar political and ideological attitudes, but they also shared similar proclivities against left-wing political groups. The historical record shows that the Counter Espionage Bureau (and later SIB) was imbued with achieving the same objectives as the Hughes government — that of suppressing the political views of the Industrial Workers of the World, Trade Unions, Irish Catholics and activist groups that dissented against the government’s policy of compulsory military conscription (Cain 1983:20). It was only when this problem had become so acute, that the Australian Governor General, Ronald Munro Ferguson, stepped in and removed Steward as head of the Bureau because he had become so closely aligned with the political initiatives of the Hughes government. In sum, the evidence presented in this case indicates that direct manipulation (the appointment of a like-minded intelligence official) did enable the Hughes government to use intelligence as a means of discrediting its political opponents.

The political appointment of like-minded intelligence leaders, is only one form of direct politicisation. Another takes place when intelligence bodies are created to produce assessments that serve the specific objectives of the policy-maker (Riste 2009:181). The establishment of the Australian Protective League, described in chapter three, is a clear example of such a practice. The composition of the League’s board indicates its politically motivated objectives. It was stacked with a privileged group of private citizens loyal to the government and its war aims. The League’s purpose was to collect intelligence material that could help the government prosecute groups and individuals opposed to its policies. As in the examples reported above, direct manipulation — that of creating a private
intelligence organisation — enabled the Hughes government to acquire intelligence that could be used as a means of undermining and discrediting groups and individuals that sought to oppose a desired policy objective. In short, the form of politicisation and the means appear to be related.

(2) Publicising intelligence

National security intelligence has been described as the most secretive function of a government (O’Connell 2004: 191). But some forms of politicisation cast this secret function in a very public light. The publicisation of intelligence is one example. This occurs when intelligence is put to a political use in a public environment having the effect of turning secret intelligence into part of a government’s communication strategy. Political leaders usually go public with intelligence to advance their political or policy agenda. This action is likely motivated by the need to sell and build support for an initiative, but also to persuade sceptics that an opposing position is imprudent. Publicisation tends to manifest via unauthorised leaks to the media, and, through public reference to sources and analysis from political leaders (Hastedt 1987: 57; 2005:421).

Chapter two describes a concerted attempt at publicising intelligence. In 1901, the Barton government wanted the New Hebrides annexed within the British Empire to protect Australia from possible French aggression in the Pacific. But the British government continually rebuffed such a proposal. Intelligence officer, Wilson Le Couteur, was dispatched to the islands on 7 August 1901 to collect information on French activity. His assessment was presented to the Barton government on 26 November 1901. Le Couteur’s assessments, like
Barton’s policy goals, were highly critical of French settlement on the island and emphasised that the British government was providing little protection for its own subjects. From the point of view of politicising intelligence through publication, the Barton administration presented this intelligence in *The Age* newspaper on three separate occasions. These findings also suggest a relationship between the form of politicisation — publicisation — and the means of politicisation — promotion and persuasion. In this case, publicising intelligence put into operation the means of promoting the Barton government’s policy goal and helped persuade sceptics toward the value of the policy.

(3) Partisan politicisation

Politicising intelligence enables political parties to use intelligence for partisan political gain as they contend with each other for influence over political issues or policy determinations (Ransom 1985: 28). In this sense, intelligence can be used to score political points, reinforce partisan political arguments, or to parry alternative political viewpoints. When used in such a manner, intelligence organisations take on the appearance of becoming aligned with certain political parties or politicians. This form of manipulation is termed partisan politicisation (Rovner 2011: 208).

But variant forms of politicisation can often have inter-related or overlapping meanings, with some occurring simultaneously (Treverton 2008: 92). Evidence presented in chapters five and six identify a conceptual inconsistency in distinguishing between the publicisation of intelligence and the partisan politicisation of intelligence. Chapter five demonstrates that
conservative coalition prime ministers and successive Attorney General’s throughout the 1960s and 1970s cited intelligence through public channels to gain partisan political advantage. On several occasions, intelligence was used to strengthen the government’s political argument about the subversive nature of communism, the peace movement, and to question the loyalty and integrity of Labor Party officials. There are two underlying constants throughout these examples. First, intelligence was politicised because it was used specifically for partisan political advantage. Second, secret intelligence was frequently disclosed to the public through parliamentary debates and Hansard publications to bolster the government’s case.

The evidence presented in chapter six demonstrates the interconnectedness of publicisation and partisan politicisation. In this case, a small group of ASIO officers leaked intelligence information to media representatives. The intention was to put secret intelligence into a public forum for the purpose of damaging the integrity of members of the Communist Party and the Labor Party. The leaks were surely instances of partisan politicisation because the information was in no way politically neutral. Rather the leaked intelligence was slanted to benefit the conservative government. In addition, publicisation occurred because the secret intelligence in question was to be published in The Analysis magazine and The Bulletin newspaper. In this case, the publicising of partisan intelligence material again appears to have put the means of discrediting into operation.
(4) Cherry Picking

The partisan use of intelligence is also closely related to another form of politicisation described as cherry picking. Cherry picking occurs when political leaders selectively choose intelligence that justifies their policy choices and reject or suppress intelligence that does not (Davies 2004: 511–512). This form of politicisation goes directly to the issue of how intelligence is used, or not used, by governments for political advantage. The historical evidence presented in this thesis suggests that Australian governments, of various political persuasions, have on occasion been more inclined to accept intelligence when it fits their own predilections, and to dismiss it when it does not.

For example, in 1907 the Deakin government rejected intelligence assessments about Japanese spying on the North Coast of Queensland. It rejected intelligence that did not support the policy goal of developing an independent naval squadron, but accepted intelligence that did. A key indicator that cherry picking occurred here is that the Deakin government did not ask intelligence officials to revise their judgments for inaccuracies, but instead accepted an alternative intelligence assessments that reported evidence of Japanese spying. This intelligence was likely accepted because it helped justify the necessity of establishing an Australian naval squadron to patrol Australian coastlines in defence of Japanese incursions.
These findings highlight that political leaders need not directly manipulate intelligence to conform to policy initiatives, but can pick and choose intelligence until they find what they are looking for. They might retain information that justifies their policy position but dismiss intelligence that could obstruct the success of their political goals. Also, cherry picking amply demonstrates how the forms of politicisation are connected to the means. For example, political leaders can select intelligence that lends support to the promotion of the policy goals of their administration, and reject those that do not. They might also select intelligence that discredits opposing positions. In either case, cherry picking, as a form or technique of intelligence politicisation, can provide an effective means of promoting and advancing the partisan goals of a government.

(5) Indirect politicisation and (6) bureaucratic parochialism

Two other forms of politicisation were found to occur to a lesser extent in chapter four. These forms are: bureaucratic parochialism and soft politicisation.

The bureaucratic context in which intelligence organisations exist presents an opportunity for politicisation to take place. Bureaucratic politics, institutionalised biases, and personal interests can all help motivate politicisation (Gentry 1993: 234). For example, political leaders may seek to extend their influence over the intelligence bureaucracy in order to control better what their organisations do. This can be a measure taken to make intelligence more responsive to the political administration, and thereby bring intelligence closer in line to their policy-making objectives. Likewise, an
intelligence organisation can use their own resources to advance or protect their institutional interests. In short, bureaucracies use and manipulate intelligence for bureaucratic gain (Rovner 2011: 208). The methods used to achieve this form of politicisation vary from the direct to the more subtle and soft varieties.

Examples of bureaucratic parochialism, as a form of politicisation are rare, but have occurred. One case demonstrated in chapter four was the army's attempt to forestall an investigation into the Security Service and Army Intelligence in 1941. Shortly after the Australian government appointed British Officer, Lieutenant-Colonel John Mawhood, to report on the efficacy and operations of civilian and military intelligence, Army Intelligence officials intervened and obstructed the inquiry. Initially, Army Intelligence conducted unauthorised surveillance on Mawhood in an effort to discredit his qualifications and his personal integrity. Unsatisfied with the results the army appointed their own investigator, Alexander Duncan, to conduct the inquiry. It is likely that the army's behaviour was motivated by parochial considerations. For instance, the army had established significant autonomy over its intelligence operations due to a lack of formal government policy and it wanted to maintain this control rather than submit to civilian supervision.

The second reason the army intervened in the inquiries is probably because Mawhood would have revealed their involvement with a number of secret paramilitary organisations. Under these conditions, the army used its own intelligence resources to discredit Mawhood and attempted to stop his inquiry. They were partially successful. That Army intelligence officials attempted to
obstruct reform of its intelligence operations suggests that it had developed an independent institutional identity and it sought to protect its independence. Army Intelligence had itself become a political actor. The ultimate goal was to use intelligence to protect its organisational independence and promote its own agenda.

But the findings from the Mawhood case present two forms of politicisation occurring simultaneously which originate from two locations. On the one hand, Army Intelligence sought to steer the inquiry toward protecting its bureaucratic interests. On the other hand, the government sought to shape the inquiry so that it would produce an outcome conducive to their political orientation. In pursuing this goal, each party tried to control the terms of reference. Each party sought to appoint investigators loyal and responsive to their objectives, and, each party sought to determine the setting in which the inquiry took place. Bureaucratic parochialism and soft politicisation emerged here. Bureaucratic parochialism took the form of each party manipulating the inquiry to protect and promote its own bureaucratic interests. Soft politicisation emerged when the army changed the setting of the inquiry by appointing an investigator more sympathetic to its goals. This case represents a clear example of what Hastedt refers to as ‘soft politicization’ or an attempt to ‘shape the ideas, voices, rules and the institutional setting’ within which deliberations occur (Hastedt 2013: 10–12).
(7) Intelligence subverts policy

In this chapter, I have argued that politicising intelligence is a strategy often attempted to benefit a political leader, party, or incumbent government. But I have argued and shown why this is usually an unsuccessful strategy for achieving a policy goal. However, the findings suggest that politicisation can be induced by an intelligence organisation to damage a political leader or policy decision, and in one specific case, it appears to have been successful. This form of politicisation described as ‘intelligence subverting policy’, occurs when intelligence organisations produce assessments that undermine policy decisions or leak specific information to undercut public support for a policy goal (Rovner 2011: 32). In this sense, intelligence is politicised because rather than supporting policy, it undermines it through tacit interference in the government’s political affairs.

The Whitlam ‘security clearance’ case of 1973 is one example of an intelligence organisation attempting to subvert the policy choice of government. A dominant feature of this case is that some ASIO officers leaked information to the media in order to undermine the Whitlam government’s security vetting policy decision. The motivation appears to have been that ASIO officers held a principled stance against the policy and they sought to apply pressure on the government to change the decision. In this case, the strategy appears to have succeeded and the Whitlam government changed its decision. Although this case is an instance of an intelligence organisation inducing politicisation, it is difficult to determine exactly what impact the strategy had on the result. However unclear this may be a link appears between the form of politicisation and the
means. The form of politicisation: *subversion*, acted as a means of *discrediting* the Whitlam government's policy.

**Implications and limitations**

The case studies in this thesis demonstrate how intelligence has been politicised in Australia and by what means. Several implications follow. The most outstanding is that, political leaders, when looking for a means to support a controversial policy decision, will sometimes politicise intelligence in an effort to promote their policy goals or to disarm opposing positions. Even so, politicisation is rarely a successful method of implementing a policy initiative. Here matters become unclear. The difficulty of evaluating why politicisation is often an unsuccessful strategy becomes more acute when trying to determine the reasons for its failure. Here, it could be asked: was politicisation an unsuccessful strategy, or was the one implementing it ineffective? Answers to this question would require substantial investigation, which is beyond the indented design of this study.

The patterns identified in the preceding discussion also indicate that there may be a relationship between the means of politicisation and the form it takes on in the sense that the form appears to facilitate the means. Full explanation here is again beyond the scope of this study. This being the case, additional research on this aspect of politicisation would be needed to determine the veracity of my findings. Although identifying the means and forms of politicisation gets to one part of the issue explaining how and why it occurs in the Australian context, it leaves questions about what conditions might evoke
this behaviour unanswered. The next section of this chapter addresses this question.

**Key findings: The conditions**

Question three of this study was designed to identify the various conditions that have led to instances of intelligence politicisation in Australia in order to explore what circumstances might educe this behaviour. In response to this question, three conditions were identified which help explain why politicisation emerged. They are (1) political, (2) sociocultural, and (3) conditions relating to oversight and ministerial control. The following discussion examines these conditions in greater detail.

**Political conditions**

Several writers have suggested that instances of intelligence politicisation are linked to political conditions. According to Michael Handel, politicisation occurs because of the ‘elementary fact that intelligence is essential to the promotion of almost all political interests, including those of an intelligence organization’ (Handel 1989: 195). Rovner’s study drew a similar conclusion. He found that ‘politicization is inexorably rooted in domestic politics’ because political leaders will use intelligence to undercut challenges to their policy initiatives, but also to sell the wisdom of their choices (Rovner 2011: 188–189). Both Handel and Rovner's conclusions are generally consistent with the findings of this study.
One of the most consistent findings across cases examined in this study is that under tumultuous political conditions intelligence was subjected to political influence for reasons of political expediency, and thus politicised. In this study, two interrelated factors tend to explain why this occurred. First, intelligence organisations were intimately involved in addressing questions of domestic and foreign policy. Second, any organisation charged with collecting information on such topics and providing it to political leaders is likely to be drawn into politics (Ransom 1987: 25). On several occasions, domestic intelligence organisations collected information on Australian politicians who strongly opposed a government policy initiative. This information was then supplied to political leaders who then used it to undermine and criticise their political opponents.

To put this finding into perspective it is worth reconsidering two notable cases examined in this study. For example, the conscription campaigns of October 1916 and December 1917 had created a bitter and devising political atmosphere. Prime Minister William Hughes faced opposition to his policy goal of implementing compulsory military conscription from members within his own Labor Party. Under such conditions, the Counter Espionage Bureau (later SIB), Military Intelligence, and the Censor's Office accrued vast quantities of information on politicians who opposed this goal. The most notable files were kept on J. H. Catts, Member of the House of Representatives, and Queensland Premier T. J. Ryan. But files were also kept on several other Labor politicians who supported the anti-conscription movement. In response, Hughes had no scruples with using the acquired intelligence information to denounce and
discredit his political opponents as disloyal and subversive (NAA: B 197, 2021/1/270; MP 16/1, 1017/60).

The Vietnam War also created a similar divisive political atmosphere. On several occasions, prime ministers and successive attorney generals selectively used intelligence material to assail their political opponents in public. Harold Holt and Malcolm Fraser cited ASIO intelligence material in parliament to discredit anti-war activists who challenged their Vietnam War policies. On another occasion, intelligence collected on Deputy Prime Minister Jim Cairns was provided to ‘friendly’ journalists and published in an Australian newspaper in an attempt to discredit his socialist ideals and tarnish his anti-Vietnam War stance (McKnight 1994: 212 & 148–149). In 1984, after reviewing the activities of the intelligence community for a second time Justice Hope acknowledged that intelligence files were kept on members of the Australian Parliament although they were few in number (Hope 1984: 150). But Hope also identified that at various times ministers had misused ASIO, and on other occasions they had expected too much from it (Hope 1984: 5). In each case, turbulent political conditions motivated political leaders to politicise intelligence for the purpose of disarming opposition and advancing their own policy agenda. In this sense, the political context in which an intelligence service functions, the questions it addresses, and conditions surrounding the use of intelligence, in effect, make it vulnerable to political manipulation and politicisation.

115 Hope made this statement in the abridged General Report.
Social conditions

A second condition somewhat related to the first, is that contentious policies like those described above can generate social ferment within the broader community, giving rise to dissenting social movements and activist groups opposed to government measures. Although the surveillance and monitoring of dissenting groups and individuals has been an activity of the Australian intelligence community since the First World War, the empirical evidence presented in this study suggests that when pressure groups emerge and directly challenge a government policy, it is political leaders who sometimes respond by using intelligence to control dissent and stifle political opposition. A critical factor in the emergence of this condition is that a policy initiative must summon strong opposition from a well-organised and publicly visible pressure group. Only if political leaders perceive that these groups pose a substantial threat to the success of their policy will intelligence be used to stifle dissenting views. At this level of analysis, the threat perception is all-important, because most of the time, these groups pose very little danger to the success of a policy goal.

This condition helps explain what led to further instances of politicisation examined in this study. During World War One for example, organised opposition groups such as the Industrial Workers of the World (IWW), Irish nationalists, and several anti-conscription movements emerged. Collectively, these groups were well organised, and their agitation against compulsion represented a direct and public challenge to the Hughes government. The IWW distributed through their journal Direct Action material openly challenging
conscription to an estimated ten thousand subscribers (Cain 1983: 15). In November 1917, an estimated one hundred thousand anti-conscriptionists and Irish nationalists gathered at Richmond, Melbourne, to protest against the policy of military conscription. Hughes responded by directing the civil, military intelligence services, and state police, to place these groups and individuals under surveillance. Their mail was censored and their telephone calls monitored. Intelligence and police officials raided the premises of several organisations. Printing presses were seized. Printed material related to anti-conscription was confiscated. At the more extreme level, several members of the IWW were imprisoned and later the organisation was declared unlawful. Under such conditions when pressure groups are perceived to threaten the success of a policy initiative political leaders can use intelligence to defend the prevailing political and social orthodoxy.

The same conditions surfaced when the peace movement, radical student groups, and the anti-war movement challenged the standing of government policy toward the Vietnam War. In this case, critical opposition to the war was met with counter-claims that that the peace movement was communist inspired and thereby subversive. Throughout the Vietnam War, most notably during the Moratorium of 1970, protest activity in Australia became increasingly well organised and directed at attracting publicity to prompt social and political change. ASIO kept close tabs on groups and individuals involved with the various movements. Prime ministers and senior government officials directed ASIO to provide them with this information. It was then used against protest groups and critics of the government’s policy to discredit their standing (McKnight 1994:
In both of the above cases, contentious policy initiatives created turbulent social conditions. These conditions in turn aroused groups that could possibly threaten the success of a government’s political and policy agenda. The findings of this study indicate that in response to such conditions political leaders will sometimes look to intelligence in order to weaken the legitimacy of activist groups, quash dissent, and stifle opposition.

**Conditions regarding oversight and ministerial direction**

One final consideration helps explain why politicisation may have emerged in the case studies this thesis examines. The condition can generally be classified as structures relating to oversight and ministerial control of an intelligence organisation.

A fundamental condition for the maintenance of an efficient and politically neutral intelligence service is that the organisation and its leaders be subject to responsible oversight, control and direction. The Royal Commission on Intelligence and Security led by Justice Hope reported in 1977 that Australian ‘agencies lack proper guidance, direction and control’ (NAA: A 8908, 3 B: 3). In his second Royal Commission in 1984, Hope returned to the issue stating that ‘the question of the extent to which the Director General should be subject to ministerial direction is a vexed one’. As Justice Hope recognised, the problem was that a balance needed to be found providing for sufficient ministerial control of an intelligence organisation, but to limit the potential misuse of ministerial power (Hope 1984: 310–311). In this study, the historical evidence suggests that conditions governing the degree of ministerial control and external oversight of
Australian intelligence organisations prior to 1979 were indeed problematic, sometimes resulting in politicisation. As a consequence, intelligence officers and organisations have often been used as servants of their political masters rather than servants of the government as a whole. While the political and social conditions described above partly explain why politicisation has occurred in Australia, the link between strong ministerial control and politicisation must also be considered.

Consider, for example, what enabled William Hughes to use the Counter Espionage Bureau as a means of controlling dissent and opposition to government policy during the conscription campaigns. As Prime Minister and Attorney General, Hughes was responsible for controlling the Bureau (Cain 1983: xi & 21). At this time, there was no bi-partisan approach to matters of security and intelligence. Ministerial authority over the Bureau was vested in the executive, which was controlled by Hughes and dominated by members of one political party. As a consequence, there was no independent scrutiny of what information the Bureau was collecting and supplying to the government, let alone oversight of its use. Such control allowed Hughes to use the Bureau for the interests of his own government rather than the broader national interest. A clear indication of the authority exercised by Hughes is demonstrated by the deference the Director of the Bureau conceded to him. ‘In future I shall look to you for direction’ George Steward informed Hughes on 2 February 1917 (NAA: A 3932, SC 298). Two months later, Australian Governor General, Ronald Munro Ferguson, expressed concern about the situation. Ferguson wrote to his British superior, Walter Long, that Steward was now ‘under the direct instruction of the
P.M.’, emphasising that his activities were not known to anyone except Hughes and the Minister of Defence (Novar Papers MS 696, Series 4, Item: 902). Unfettered ministerial control and a paucity of bi-partisan oversight created conditions under which Hughes could ensconce the Bureau to serve the same political objectives as his government. In short, the Bureau served the Hughes government’s political interests because the Hughes government exerted considerable authority over control and direction of the Bureau. As a result, the bulk of the Bureau’s work centred around monitoring Hughes’s political enemies.

Similar conditions are evident in the events discussed in chapter five. The long duration of the conservative coalition government from 1949 through to 1972 is a notable example of how excessive ministerial control and a lack of bi-partisan oversight might result in politicisation. During this period, ministers and senior government officials frequently requested intelligence information on their political foes and they used this information for partisan political advantage. On several occasions, Director Generals Spry and Barbour both resisted this practice. Assertive ministerial control underpinned by ambiguities in the 1956 ASIO Act (Cwlth) regarding the Director’s autonomy, provide a reasonable explanation as to why their resistance was ineffective. ‘Important questions arise as to the extent to which, if at all, ASIO should be subject to ministerial control’ remarked Justice Hope in his review of the intelligence services. He noted that under section 12 of the 1956 Act, the appointment of the Director General could be ‘terminated inter–alia if he should refuse to obey a lawful order given to him by the minister’. Hope contended that the term ‘lawful order’, however, constituted some ‘legal doubt’ in how the Act should be
administered. Under this provision, the Director General of ASIO, as stipulated in the conditions of his or her employment, was contractually obligated to comply with the directions of the minister. Hope suggested the 1956 Act be amended to remove any legal doubt or ambiguity of the Director General’s autonomy. In future, Hope recommended the Director General should be subject ‘in general terms’ to proper direction of the Minister (NAA: A 8908, 4 A: 163 & 170).

It light of Hope’s findings, McKnight suggests that the partisan activity of ASIO during this time did not arise solely because the organisation was out of control, but rather, it occurred because ASIO was firmly under ministerial control (2008 a: 708 Author’s emphasis). The findings of this study support McKnight’s thesis and indicate that for over twenty years, consecutive attorney generals — the designated office responsible for ASIO — exercised significant control over the organisation. Under these conditions, political leaders were able to politicise the intelligence they were receiving with little interference. In short, this study found that ministerial control during this time was subject to insufficient legislation and a lack of independent scrutiny. Directors General had virtually no means of resistance under legislation, and ministers took advantage of this situation. This evidence suggests that ministerial control when left unchecked can in some instances diminish the political neutrality of an intelligence organisation, and lead to politicisation.

By 1972, it was no secret that the issue of ministerial control and oversight needed attention. Amending the 1956 ASIO Act (Cwlth) was recommended by Justice Hope after the Royal Commissions in 1977, and again in
1984. Yet, Hope’s recommendations were only partially successful. For example, in 1979, sections of the 1956 ASIO Act were amended. New legislation then imposed a statutory requirement that the Director General of ASIO ‘consult regularly with the Leader of the Opposition’ (ASIO Act 1979 Part III, Section 21). Until this section of the Act was amended, legislation substantially restricted the ability of Director Generals to act in a bi-partisan manner, and for several decades prior to this change, legislation did not require leaders of the opposition to be briefed on matters of intelligence.116 Moreover, the extent of executive control over the intelligence community meant that the government was able to keep the existence of some intelligence organisations hidden from parliament for decades (NAA: A 8908, 3 A: 48–49).

As to problems relating to ministerial control and direction of the organisation, legislative reform as recommended by Justice Hope was implemented, but then revised. Initially Section 8 of the 1979 ASIO Act (Cwlth) provided that the Director General is subject to the general direction of the Minister, and the Minister is not empowered to override the opinion of the Director General, except under certain circumstances (ASIO Act 1979, Part II, section 8). Section 8 of the Act was subsequently amended. The term ‘general direction’ was replaced with ‘direction’ of the Minister. In other words, full ministerial control over the organisation was reaffirmed, thus, the potential for ministerial abuse was only partially resolved (McKnight 2008 a: 722).

116 It was not until the introduction of the Intelligence Services Act 2001 (Cwlth), that statutory regulations required the Director General of the Australian Secret Intelligence Service (ASIS) to brief the Leader of the Opposition. See Intelligence Services Act 2001, Part 3, section 19.
As the above findings suggest, there is a connection between strong ministerial control over an intelligence organisation and conditions enabling politicisation to emerge. In each of the episodes discussed above the politicisation of intelligence could have been limited if there had been sufficient legislation, bi-partisan oversight, and more responsible ministerial control and direction of the intelligence services. Had these conditions been in place, the extent of politicisation could have been lessened. Without independent scrutiny, intelligence operations were often directed toward a partisan political objective. The effect, in the absence of safeguards, was to orient intelligence toward a partisan goal. Politicisation was the price paid for these circumstances. To summarise, the empirical evidence reveals that excessive ministerial control can create conditions where political leaders are able, with little interference, to use intelligence to achieve partisan political advantage. Insufficient legislation and bi-partisan oversight of intelligence, it could be concluded, is an invitation to abuse and politicisation.

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Historical trends in politicisation and its reform: final reflections

More than one hundred years after intelligence was first used in Australia to gain political advantage, many of the same issues remain. Beginning in 1901 intelligence was used to expand Australia’s interests in imperial policy making. But this established a precedent. The legacy of which would continue for decades. As this study has demonstrated, by 1972 politicisation became a fairly entrenched practice. Indeed, the cases selected in this study reveal a perennial trend. What appears is a pattern of subtle politicisation building to the more explicit manipulation of intelligence for political gain followed by efforts at reform to prevent the practice. Unfortunately, such reform measures have had limited success.

The early cases of politicisation occurring in the Barton and Deakin governments could be considered subtle and somewhat innocuous. But in the following years, more deliberate attempts to use intelligence as a political weapon occurred under the Hughes government in 1914–1918. This study has shown that efforts were made at the start of the Second World War to limit the use of intelligence as an instrument of political oppression and partisan advantage. But legitimate reform was circumscribed because each agency and its political masters sought to maintain their own control over the intelligence bureaucracy. Problems addressing the maladministration of the intelligence bureaucracy took a back seat. Consequently, reform stalled. By the start of the Cold War, the same patterns re-emerged. Starting with the Menzies administration in late 1949, intelligence was again being used to make the case for government policy. For over the next twenty years this pattern was not only
repeated, but it also gathered significant momentum eventually reaching a point when reform was again deemed necessary.

When the Whitlam government was elected in 1972, the politicisation of intelligence had become such a problem that his government again sought reform and appointed the Hope Royal Commission to investigate. But as several scholars have observed, Hope’s final recommendations only resolved some of these issues (Seddon 1982: 375–380; McKnight 1994: 296; Hocking 2004:47). Although this study concludes in 1975, evidence presented in chapter one indicates that the same patterns appear to have continued beyond this time.

The alleged politicisation of intelligence by the Howard government in the lead up to the invasion of Iraq in 2003 is one notorious example. This was a spectacular case — but it was little more than a continuation of what had been going on for at least the previous seventy-five years, and in this sense, is not remarkable. In the Australian context, Iraq was only spectacular because it was routine. For instance, the Parliamentary Joint Committee on ASIO, ASIS and DSD (Herein PJCAAD) examined allegations of politicisation in December 2003 and submitted its findings in March 2004. The Committee noted that ‘changes did occur in the nature and tone of the assessments’ which gave the appearance of intelligence assessments supporting desired government objectives. Their report found that ‘distortions’ in the intelligence process and reporting ‘may have occurred’. But the committee’s findings suggested that these distortions arose from within the intelligence community because it found that there was ‘no overt
pressure from government to change assessments’ and no evidence that ‘political pressure was applied to the agencies’ (PJCAAD 2003: 54).

Significantly, the committee applied a rather restrictive definition of politicisation. It looked only for evidence of political arm-twisting or direct politicisation. For instance, despite examining evidence that Prime Minister Howard and Foreign Minister Downer had cited intelligence material in public, not only from Australian agencies, but also from those of the United States and Great Britain on several occasions, the committee discounted that such action constituted any form of politicisation or political impropriety. In the committee’s own words, this behaviour was ‘acceptable’ because the Australian government ‘was moderate and more measured than that of either of its alliance partners’ in its public use of intelligence. The committee came to the anodyne conclusion that many of the anomalies regarding intelligence reporting and the use of it were ‘hard to explain’. It recommended that there should be an independent assessment of the Australian intelligence community in light of matters raised by the pre-war intelligence on Iraq (PJCAAD 2003: 91–98).

Phillip Flood was appointed by the Howard government in December 2003 to address these issues in closer detail. He was to examine the effectiveness of oversight and accountability and the ability of the intelligence community to deliver ‘high quality and independent advice to government’ by probing the conduct of ONA, ASIS, the Defence Intelligence Organisation (DIO), The Defence Imagery and Geospatial Organisation (DIGO), and the Defence Signals Directorate (DSD) (Flood 2004: 1).
Flood’s appointment was immediately questioned because he had strong ties binding him to the intelligence bureaucracy. Flood was not only the former Director General of ONA, but also a former Secretary of the Department of Foreign Affairs and Trade. This sparked criticism that Flood would be forgiving of the intelligence community’s performance (O’Neil 2011:22). Indeed, the Labor Party also condemned the inquiry on such grounds. Shadow Minister for Foreign Affairs, Kevin Rudd, released a press statement on 4 March 2004 stating that the appointment of Flood to head the inquiry would be a ‘conflict of interest’ (ABC, PM Program, 4 March 2004). On 10 March 2004, Rudd informed parliament that Flood’s terms of reference were ‘inadequate’ because the inquiry would not properly deal with ‘the problem of policy driven analysis’. The inquiry was to focus on the possibility of flawed intelligence analysis, while the extent to which political leaders misused intelligence was exempt from scrutiny. Based on these points, Rudd informed parliament that ‘the Labor Party has no confidence in the inquiry’ (House of Representatives 10 March 2004: 26542–3). In this context, Flood’s appointment might be considered politicised. Despite such objections, Flood proceeded with the investigation and submitted his report in July 2004.

The Flood inquiry, indeed, applied a narrow definition of politicisation looking only for instances of direct manipulation. For that reason, Flood found nothing of importance. ‘The inquiry has found no evidence of politicisation of the assessments on Iraq, either overt or perceived’ he reported. No ‘analyst or manager was the subject of either direct or implied pressure to come to a
particular judgment on Iraq for policy reasons, or to bolster the case for war’ (Flood 2004: 28). Given that Flood found no evidence that the intelligence community had bent to political demands, it is worth noting that he did comment on the public use of intelligence by political leaders. Flood acknowledged that ‘public disclosure of intelligence assessments carries real risks and can distort the assessments process’, but he went on to justify the practice. The issue of publicising intelligence was framed as one of political transparency. This failed to recognise not only the long history of publicising intelligence in the Australian context, but also the consequences of the practice. Flood recognised that although the public use of intelligence ‘had caused some discomfort within intelligence agencies around the world’ he argued that it was the public’s right to know and the government’s right to explain the context of their policy decisions, which ‘required the public presentation of intelligence based material’ (Flood 2004: 158).

According to this analysis, publicising intelligence becomes a measure of improving government transparency. The assumption being that what is open will improve accountability. It does not recognise that political leaders can co-opt the imprimatur of intelligence to promote the government’s agenda and use it to persuade a sceptical audience toward the necessity of that decision. Nor does it recognise the impact this has on the intelligence community’s credibility when political leaders cite intelligence that may be incomplete or inaccurate, as was the case with Iraq in 2003. For that reason, such behaviour can actually damage the integrity and credibility of the intelligence community.
Given the historical evidence presented in this thesis it would be reasonable to conclude that the politicisation of intelligence in Australia is a perennial trend that might be expected to continue. Findings about the means of politicisation suggest that when misused for partisan gain, intelligence is a powerful tool political leaders can employ to promote their policy choices. It has the power to persuade sceptics and the potential to discredit opposition. Any political leader, or organisation, that can manipulate intelligence to propagate their agenda will ultimately distort the issue. These findings suggest that more attention could be paid to limiting the political misuse of intelligence rather than improving the quality of intelligence analysis. Indeed, this problem is one that has received little attention in the aforementioned reviews into the Australian intelligence community. Political leaders, as well as intelligence organisations and their staff, must recognise the potential for abuse and the multiple forms that constitute politicisation if the issue is to be properly addressed. If these lessons are not recognised then the temptation to spin the secrets of state, and distort intelligence for political advantage will most likely continue. The challenge will be to resist stubborn traditions and to insist that progress on the issue does not manifest in regression.
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