

INDIA — AUSTRALIA RELATIONS, 1973-1986

Dissertation submitted to the Jawaharlal Nehru University
in partial fulfilment of the requirements for
the award of the Degree of
MASTER OF PHILOSOPHY

MOHAMMAD SHAHID

**CENTRE FOR INTERNATIONAL POLITICS, ORGANISATION & DISARMAMENT
SCHOOL OF INTERNATIONAL STUDIES
JAWAHARLAL NEHRU UNIVERSITY
NEW DELHI-110067.
1988**



DEDICATED

TO

MY PARENTS

ACKNOWLEDGEMENTS

The study on "India-Australia Relations: 1973-1986", has been undertaken in the Centre for International Politics, Organisation and Disarmament Studies for the partial fulfilment of the degree of MASTER OF PHILOSOPHY of the School of International Studies, Jawaharlal Nehru University, New Delhi.

It is with great pleasure, I express my indebtedness and gratitude to my Supervisor, Dr. K.S. Jawatkar for his inspiration, suggestion and constructive criticism of the work. His hospitality and affection has greatly lightened myburden to whom I owe much. He guided me in my research with painstaking care. I am also grateful to Prof. M.L.Sondhi, Chairman of the Centre who provided extra encouragement and inspirations in the course of this work.

I am thankful to the Staff of Jawaharlal Nehru University Central Library, Nehru Memorial Library and Indian Council of World Affairs Library, New Delhi. I am also thankful to the staff of the Australian High Commission in New Delhi for providing materials useful for this study.

Thanks are due to all my friends and well wishers, particularly Messrs Mohd. Azher, Jawaid Iqbal and Mohd.Ashraf who helped me in numerous ways in completing this study. I am also thankful to Mr.I.S.Gulati for final typing of this dissertation.

However, I am solely responsible for any shortcomings and interpretation in the dissertation of whatever nature that remains.



(MOHAMMAD SHAHID)

New Delhi

Date: May, 1988

CONTENTS

		<u>PAGES</u>
	ACKNOWLEDGEMENTS	
	INTRODUCTION	i - iv
CHAPTER I	INDIA AND AUSTRALIA IN HISTORICAL PERSPECTIVE	1 - 27
CHAPTER II	DEVELOPMENT OF INDIA-AUSTRALIA POLITICAL RELATIONS	28 - 72
CHAPTER III	DEVELOPMENT OF INDIA-AUSTRALIA ECONOMIC RELATIONS: AID AND TRADE ETC.	73 - 101
CHAPTER IV	CONCLUSIONS	102 - 109
	SELECT BIBLIOGRAPHY	i - xiv

+++++

LIST OF TABLES

Sl.No.	Description of Tables	Page No.
1.	Australian Development Assistance to India, 1973-1986.	94
2.	Percentage Share of Australian Aid in World Grant Assistance to India, 1974-85	95
3.	Australian Bilateral Aid to South Asian Countries, 1982-1985	96
4.	Experts and Fellowships Provided by Australia	97
5.	Grants Authorised and Utilised under Various Heads as on 31st March, 1984	98
6.	Details of the Projects Completed and on-going	99
7.	India's Trade with Australia	100
8.	India's Trade with Australia - Percentage of Imports and Exports.	101

INTRODUCTION

INTRODUCTION

The working of international politics ^{is} adaptable to changing times and situations. Rigidity is but a gone phenomenon giving way to flexibility. Relations between nations are governed by various factors. A claim of universality would be less convincing but continuance and coherence cannot be denounced. Relations between a powerful nuclear state and a less powerful conventional state in general terms reflect dependence on the major ally. Relations between weak states are often being influenced by great powers, whereas relations between middle powers reflect some sort of independence where they are able to act sometimes against the wishes of powerful allies or friends. Here we are concerned more with those actors of international politics who are not great powers in terms of world standard.

In the present study we are more concerned with political relations at state level hence state-centric view may get dominance in the analysis. However, some other actors - non-state actors - such as public opinion, individuals, political parties, pressure groups and international organisations, have also influenced the course of event. But ^{it} is not possible that every time uniformity of this act of influence can be seen. Some times governments do not take into consideration domestic actors while formulating policies on international issues. But the act of influencing the decisions on various issues is too great in proportion to be neglected. Many instances can be cited where governments took contrary stand. In the case of Hungarian uprising in 1956, government of India and in the case of Suez crisis of 1956 the government of Australia took contrary

decision to the public opinion and views of political parties. The two governments did not hesitate to justify their actions.

Furthermore, military alliance to the extent of dependency gives way on some occasion to the personal loyalties and attitude of decision makers.

Most of the studies on inter-state relations concentrate on Patron-Client relations. In other words studies on centre-periphery relations constitute the bulk of international relations literature. There have also been studies on relations between core states in their conflictual and cooperational dimension. However, there are not many studies on middle powers or regional giants in respect to inter-state relationship. Relations between these middle powers, though influenced by Super Powers policies, carry greater measure of independence. This phase of independence, free from Super Powers, is not a phase of permanence. Various actors - both state actors and non-state actors - may transform this phase into Clientship of the Patron State. There are of course, some factors which are potential source of friction between states like India and Australia.

Despite growing need for cooperation in Nuclear Age, power as often understood in terms of military superiority, dominates the international thinking. In this situation each nation tries to expand her power vocabulary in the guise of national interest. Here nations find themselves at conflict between their desire and actual efforts to acquire 'power' for supremacy; protection, preservation and expansion of national interest, on the one hand and their moral support for justice, freedom and Human Rights issues. There is variant existence of this dichotomy in the foreign policies of States.

This power approach demands controlling and managing the affairs of the states for a better world. States like India and Australia can contribute a lot in this direction through their cooperational voices and efforts in world affairs.

India with a glorious cultural heritage, with great human resource potential appeared on the international scene as an independent actor in post-1945 world.

In the formative days of its foreign policy India was confronted with predominant rival ideologies of Capitalism and Communism bifurcating the world into American and Russian bloc. Quite successfully India could manage to get out of this environment, though at the initial stages it had to face the brunt of confusion in the predominant setting. Historical legacy, freedom struggle, abhorrence towards colonialism, question of national economic development with desire to secure and consolidate the hard won national freedom culminated in the emergence of non-aligned movement with active participation of other emergent newly-independent countries. On the other hand, Australia, a British colony with close historical and cultural ties with mother country (in an alien setting) could not but adopt aligned policy. Till 1935, Australian governments resisted the moves for independent handling of foreign affairs.

British connection through Commonwealth association could be proved of enormous help for developing relations between India and Australia. But the different milieus of entering into post Second World War era influenced the relationship. Growing "menace of Communism" resulting into a 'containment' doctrine was an anathema to Indian decision makers whereas Australia fully saw her security interests secured in giving support to the Western alliance system.

How far, these different settings have influenced the two countries in their relationship has been dealt in Chapter I in historical perspectives. Before 1973, two visible distinctive phases can be traced out i.e. pre-1962 and post-1962. The pre-1962 period is the hallmark of ideological differences in the bilateral relationship, whereas post-1962 period saw political expediency overcome ideological difference.

Chapter II deals with political relations during the period 1973 to 1986. Here an attempt has been made to reflect more light on the nature of the relationship and points of convergence and divergence on regional and international issues. For the sake of convenience Chapter II has been divided into three sections: Whitlam period (1973-75), Fraser period (1975-83) and Bob Hawke period (1983-86). The relation^{xa} of international tensions has facilitated the development of a sound relationship between these two countries. Some light has been thrown on this aspect too.

Economic relations find place in Chapter III. After a brief description of international economic issues, in particular North/South dialogue, attempt has been made to analyse aim, strategy and implications of Australian grant of assistance to India. Then problems and prospects in the field of bilateral trade has been discussed. Aid Section also provide factual background.

And lastly concluding chapter gives overall assessment of the entire period and forecasts trends in India-Australia relations.

CHAPTER I

INDIA AND AUSTRALIA
IN
HISTORICAL PERSPECTIVE

Chapter I

INDIA AND AUSTRALIA IN HISTORICAL PERSPECTIVE

Australia until very recently was considered as an European outpost in a hostile Asian region and away from the power centres of the world. Biased and prejudiced opinion about Asia remained in Australian thinking, and this "neighbouring continent remained an enigma to Australians in all walk of life."¹ This was strengthened by the "same approach to life" concept implying "racial similarity, the capitalist system and Christian religion."²

In the first half of twentieth century, this fear-psychosis as the "Asian masses" hovering over "lonely and underpopulated Australia" stayed in the people's mind. The Commonwealth Parliamentary Debates of 1940s reflect this thinking. 'Even men like Menzies and Spender who were sympathetic towards Asian Struggle for freedom shared to some extent, such feelings. They feared that Australian assistance in the elimination of Western controls from Asia would be the very "ecstasy of suicide" and that seven million Australians were "under the constant menace of more than 1000 million people of other nations".³

1 J.Gentilli, "Australia-Indian or Pacific?", Australian Quarterly (Sydney) vol. 21, no.1, March 1949, p.75.

2 Bruce Grant, The crisis of Loyalty (Sydney, 1973), pp.3-4

3 Warner Levi, Australia's Outlook on Asia (Sydney, 1958), pp.69-70.

The dominance of British thought and connection and assumed fear of Asia produced habit of dependence in Australian foreign policy which was first directed towards Britain and then towards United States after the fall of Singapore. It is strange enough that geographical proximity with Asia could not bring fruitful cooperation with this neighbouring continent.

The Japanese involvement in the Pacific region during second world war further strengthened the fear of Asia with contempt. But the second world war proved catalytic in changing the course of world politics from European theatre to a wide range of areas. In his inaugural address to the Asian Relations Conference held in New Delhi in March-April 1947, Jawaharlal Nehru observed: "Asia, after a long period of quiescence, has suddenly become important again in world affairs" and "the old imperialisms are fading away" and the "isolation" which they had imposed upon Asia was "breaking down."⁴ The subsequent independence of India, Burma, Pakistan, Ceylon (Sri Lanka) and Indonesia affected Australian thinking. Some sort of adjustment had to be made in her policies. Fortunately, there was Labour government in Australia which with its liberal and Asian mind speeded the pace of this transformation. But this deep-rooted assumed fear of Asia was still working in Australian psyche as even in the 1950s newspaper headlines could still be found asserting that we are more than ever "an outpost" and "we are more alone than ever."⁵

4 Jawaharlal Nehru, India's Foreign Policy, Selected Speeches, September 1946 - April 1961 (New Delhi, The Publications Division of Government of India, 1961), pp.248-50.

5 Levi, n.3, p.69.

The ensuing cold war as the aftermath of Second World War shifted the scene from the European dominance of international events to the two Super Powers dividing the world into two hostile blocs represented by USA and USSR.

However, some leniency is discernible in Australian attitude towards India. In nineteenth century various states of Australia had demanded for Indian labour.⁶ Later Indian war efforts during First World War earned the praise of W.M. Hughes, the then Australian Prime Minister. On his invitation Srinivas Sastry, President of the Servants of India Society, visited that country in 1922 with great achievements, facilitating the grant of civil status for Indians, superior to that of any other Asian minority replacing the Japanese as the most favoured Asian nations.⁷

The two Australian political parties i.e., Australian Labour Party (ALP) and Liberal-Country Party (LCP) coalition were not identical in their world views to a great extent. During the Second World War, it was Labour party under the Prime Ministership of Chifley with Dr. Evatt as the Minister for External Affairs which ruled Australia.

The anti-colonialism and the anti-imperialism inherent in the Labour party and the dominance in that party of the views of Dr. Evatt led to the Labour (hence Australia) supporting the move for Indian

6 See Marie M. de Lepervanche, Indians in a White Australia (Sydney, 1984), pp. 56-78.

7 Yarwood, Asian Migration to Australia (Melbourne 1964), pp. 139-40.

independence.⁸ Labour was consistent with its policy of sympathising national independence movements in Asia and elsewhere. The security and defence of Australia lured it to think in this way because an independent India within Commonwealth would, in its opinion, insure it. Contrary was views of Menzies and other Conservative Parties' Leaders. When British Prime Minister, Attlee made announcement in February 1947 to transfer of power to responsible Indian hands, Menzies admitted, "he was shocked."⁹ However, later on he reconciled himself to the new situation.

Welcoming the Australian and New Zealand observers at the Asian Relations Conference, Nehru said, "we have many problems in common, especially in the Pacific and in south-east region of Asia, and we have to co-operate together to find solutions."¹⁰ It is a different matter that Australian Press took this invitation as an outrage on Australia and a clear warning that she was in the Asian region.

From the very beginning India was averse to the alliance politics which was emerging out of post-war world. India in her zeal of anti-colonialism and anti-imperialism wanted to reduce and eliminate the tensions and conflicts by the policy of non-alignment because in her view alignment with any bloc was only to enhance the areas of conflict and to jeopardise the hard new won freedom with greater problems of economic development. On the other hand, Australia under Labour was willing to have some sort of Pacific alliance of major Western

8 R.G.Neale, "Australia's Changing Relations with India" J.D.B. Miller (ed.), India, Japan, Australia: Partners in Asia? (Canberra, 1968) ,p.79.

9 Levi, n.3, p.113.

10 Nehru, n.4, p. 249.

democratic powers, including friendly Commonwealth countries like India, Pakistan and Burma etc. In Labour's view any such pact without the consent and cooperation of the countries like India was bound to fail. Later, the LCP Coalition government with greater spirit of such a regional defence pact put forward this idea. Earlier this thought stemmed from the fear of a resurgent Japan, then the spectre of expanding Communism in Asia particularly the conflict in Korea.

Nehru was vehemently opposed to the creation of power blocs because in any circumstances the concept of a pact was premature so long as the dispute in Indonesia and Indo-China remained unsettled.¹¹ India refused even to discuss about such pacts at Colombo Commonwealth Foreign Ministers Meeting. Opposition to such pacts involving outside powers was reflected in the Indian Public and Media Opinion.

However, both India and Australia brought the Indonesian situation to the attention of the United Nations Security Council in July 1947. Later in 1949 Australia accepted the invitation of participation in an Asian Conference on Indonesia being held in New Delhi which was fervently opposed by leading members of Opposition (then LCP) in Parliament and Australian Press.

From the available materials on Indo-Australian relations it becomes clear that there is less to be found on bilateral issues than on international issues. Defence oriented Australian foreign policy heavily weighed on the side of Britain and America was not acceptable to India.

11 Quoted R.G. Neale in Gordon Greenwood & Norman Harper (eds.) Australia in World Affairs, 1950-55 (Melbourne, 1957), pp. 245-6

That is why one sees opposition on almost every issue in world politics such as regional pacts, recognition of China, the Korean war, conflict in Indo-China, the Suez crisis, the question of Kashmir, South African policy of racial discrimination, apartheid and so on so forth till 1962 China's war with India. From 1949 onwards until 1962 the entire period was governed by the LCP coalition under Sir Robert Menzies as Prime Minister with the ruling Congress Party under Nehru's stewardship in India who was also the main architect of Indian foreign policy and whose grip on foreign affairs till his death was very tight.

Australian quest for security in a hostile Asian neighbourhood ran always through its thinking. She got such a guarantee of security in the shape of ANZUS where United States was the protector. Further the nationalistic upsurge in South-East Asia and fear of Communist expansion through China, North Korea and Vietnam demanded that Australia should seek the enlargement of security pacts involving the mainland Asian nations. Fear of China in Australia was frantically very great without any solid foundation. In their thinking "Australia's first line of defence was unmistakably linked with the defence of South-east Asia from a potentially hostile power" which was Communist China because the Communist penetration "to the northern approaches of Australia", through Thailand, Singapore and Malayan peninsula would "cut her life lines with Europe."¹² This thinking resembled the "Domino theory" propounded by President Eisenhower in April 1954, which stressed that the countries of South-east Asia "would automatically collapse,

12 Ravindra Varma, Australia and Southeast Asia: The Crystallisation of a Relationship (New Delhi, 1974), p. 35.

one after the other, if one of them were to fall under the Communist control."¹³

This fear of communist China in the beginning of Cold war, made Australia to follow the path led by the United States in not recognising People's Republic of China and thus she helped in legitimising the doctrine of containment towards China. Australian federal election of 1949 and the outbreak of Korean war prevented Australia from a realistic approach of recognition of China. The difference on this recognition issue is evident between Indian and Australian attitudes. India saw the Chinese Communist victory as a "major event in history" with Asian colour, and a further blow in the back of colonial-imperialist forces, having common background for sympathy. India experienced that racialism and colonialism were worse than Communism. Further China was no expansionist, nor she posed any danger to peace.¹⁴

With this approach, India accorded recognition to People's Republic of China which she termed as Asian power. Relations between them were agreed to be governed by the principle of Panch Shila. Earlier the Australian Public Opinion was in favour of recognition but American attitudes towards China influenced the government to refrain from this. Britain had accorded recognition to the Communist China keeping in view of her strong economic interest.

Similarly, on the issue of conflict in Korea the two governments expressed difference in their views, though in deploring the North Korean aggression and calling for early cessation of hostilities similarity was experienced. But India did not accept the crossing of 38th parallel

13 Ibid., p. 36.

14 Quoted Neale, n.11, p. 254.

by UN forces, did not applaud United States' action in the war, did not support the United Nations' resolution declaring Communist China an aggressor, and in general, saw the Korean problem "primarily as an Asian question to be settled by Asian nations by Asian methods in Asia's interest"¹⁵. On the contrary, Australia participated in real efforts of war, supported the decision to cross the 38th parallel and voted for the United Nations resolution condemning China as an aggressor. "The invasion of South Korea was seen not as a narrowly limited object of Communist intentions but as a part of a calculated strategy to encourage communist movements in southeast Asia"¹⁶ that is why in his broadcast to the nation Robert Menzies asked his countrymen to regard Korea as their business and not as some remote frontier incident.¹⁷ Jawaharlal Nehru insisted that China's involvement in the Korean war was due to West's refusal to recognise that country and their veto for the Chinese UN membership. This was contested in Australia. The Australian mind was always apprehensive of Chinese expansionist design. In her view the war in Korea was a world-wide Communist strategy to advance further south and penetrate the democracies. India did not see any expansionist design in Communist China which had greater task of her domestic economic development. The annexation of Tibet by China was seen in Australia and other Western countries as a proof of that apprehensive design. On the other hand, India did hasten to acknowledge Chinese claim over Tibet. Thus on China and Korea the thinking of both governments stemmed from differing approach.

15 Ibid., p. 252.

16 Henry S. Albinsky, Australia and the China Problem during the Korean War period (Canberra, 1964), p. 22.

17 Current Notes on International Affairs (Canberra), Henceforth Current Notes August 1950, p. 590.

The assumed fear of China with her involvement in the Korean war culminating in Communist victory paved the way for a wider security pact in the shape of South East Asian Collective Defence Treaty (SEATO) in 1954, partially fulfilling the Australian quest for security against Communist penetration, involving into the pact some Asian powers. But this defence pact failed to attract great Asian powers like India, Indonesia, Burma etc. Only Philippines, Thailand and Pakistan were its Asian members. Over SEATO India's reaction was very vehement. Particularly, Krishnamenon, the Defence Minister and Prime Minister's chief foreign policy spokesman, burst over this condemning that this pact, "a modern version of protectorate, is an organisation of certain Imperial Powers and some other who may have an interest in joining together to protect a territory which they say is in danger,"¹⁸ but which is not so.

Nehru's argument against this treaty was that it was against non-aligned policy; it would affect India's position as chairman of the International Commission over Indo-China, if she participated in it, it would anger Communist China with which India wanted to develop cordial and peaceful relations and finally it was against India's aspiration of the leadership of Afro-Asian world. This seemed to him "inclined dangerously in the direction of spheres of influence to be exercised by powerful countries"¹⁹ to vex further the problem of peace and security in the area.

18 Keating's Contemporary Archives (London), p.13762.

19 Nehru, n.4, p.272.

Yet India's criticism was to a great extent restrained. In his speech at the concluding session of the Bandung Conference, 1955, Prime Minister Nehru said: "We send our greetings to Australia and New Zealand, ^{which} are almost in our region. They certainly do not belong to Europe, much less to America. They are next to us and I should like Australia and New Zealand to come nearer to Asia."²⁰

In the Australian view Communism was a common enemy to national independence, hence Australian offer to involve Asian powers. In her opinion India was not making distinction between the evil of Communism and the good of Capitalism. But Australian mood of restraint is explicit in her criticism of the opponents of the SEATO, without naming any country or individual when Sir Robert Menzies said that in this century "neutralism will invite aggression, but will never defeat it."²¹

At the Commonwealth Foreign Ministers meeting held in Colombo in 1950, Percy Spender, Australian Minister for External Affairs, was unsuccessful in his attempt to get a Pacific Pact discussed there. However, he reminded his counterparts of the economic need of Asia. He also showed keen interest in framing such a plan to aid the new under-developed nations of South and Southeast Asia in order to halt the Communist tide. This fact is testified by his own statement that "security in the Pacific, economic and technical and political stability in Southeast Asia, were "rather like two sides of one coin."²² American

20 Ibid., P. 272

21 Commonwealth Parliamentary Debates (House of Representatives), 10 August, 1954, P. 186.

22 Sir Percy Spender, Exercises in Diplomacy: The ANZUS Treaty and the Colombo Plan, (Sydney, 1969), P.196.

willingness to coordinate in such aid programme also indicates this. In the fitness of things, the motivating factor was ideological and it was "democracy's most effective weapon against communism".²³ But the plan could not create a great success and cooperation as the political events showed later on. Besides this, the amount of assistance was inadequate.

There were two more issues that need our attention: the West Irian or Dutch New Guinea question and the Kashmir question. On the West Irian question, Australia opposed Indonesian claim and supported the Holland's colonial policy. In Australia's view there was no ethnological connection between Indonesia and Dutch New Guinea and because after incorporation, if so, Australia would be in direct threat of Communism as Indonesia had the largest Communist party membership in the world after China and Russia; that this area was strategically very important for Australia and finally this act would be against the UN charter of self-determination.

Indian approach to this problem stemmed from her anti-colonial posture. Nehru argued that West New Guinea was "bound to be associated with Indonesia" because the geographical and historical approach supported Indonesia's claim and that western colonialism should not be allowed to remain in any part of Asia.²⁴ Then in 1962 after so many years of diplomatic efforts, threats, persuasions, it was decided that after a short interregnum of international body this area would be granted

23 Sydney Morning Herald, 10 September, 1952.

24 Keesing's Contemporary Archives, (1950-52), P.10892.

to Indonesia which was to provide self determination in 1969 for Papuan people. In Australia it was felt that such a pact of holding of self determination would never be implemented by Indonesia. Australian rigidity to such a plan was relaxed on account of American pressure, clear extension of decolonisation process, loosing some seats in the federal election and a new Minister of External Affairs who was an adherent to an Asian Philosophy. On home front in Netherland, the Government policy was not treated well by opposition Labour party, press and television.²⁵

A keen student of Australian view on colonial questions argues that the Australian position on colonial question has not been "static but has varied according to changing circumstances and government's estimate of the national interest" which shows that Australian policy of supporting and stressing for early solution of colonial question "was essentially humane and gradualist" only to be followed by "strong colonial campaign in the late 1940s and throughout the 1950s in almost all its courses in the United Nations."²⁶

The Kashmir problem marred India's relations with many of her Western friends viz. United States, Britain and Australia. The vexed question of Kashmir, still a very thorny issue in Indo-Pak relations, annoyed India when Prime Minister Menzies on his way to the Commonwealth Prime Minister's Conference in London in 1951 stopped at New

25 A good account of this dispute is found in Kees Lagerberg, West Irian and Jakarta Imperialism (London, 1979)

26 W.J. Hudson, Australia and the Colonial Question at the United Nations (Sydney, 1970), pp. 4-5

Delhi and Karachi to bring the two warring parties to some understanding. The appointment of Sir Owen Dixon, an Australian High Court Judge, as the UN mediator in Kashmir and his report to the Secretary General recommending that the two parties should settle their dispute outside the UN through bilateral negotiations and Menzie's plea to settle this issue outside the Prime Minister's Conference through private talks and Australian involvement in UN forces in Kashmir was not appreciated in India. Great Britain and United States supported Pakistan whereas Soviet Union was on the side of India.

In 1955, Bulganin and Kurushchev's visit to India and some other Asian countries was seen as a luring efforts to attract India and get her support. The schism between Russia and China was appearing slowly and then Russia's calculated move to win friends in Asia was directed towards the endeavour to break the American line of containment envisaged by her through military pacts such as NATO, CENTO, SEATO which were an anathema to India.

In 1956 two major events occurred in world politics on which Australia and India held contrary views. First was the Suez crisis when Great Britain and France in collaboration with Israel attacked Egypt in response to nationalization of Suez Canal by President Nasser of Egypt and asserted their rights over it. Australia with her deep loyalty to Great Britain and her pro-colonial posture supported the Anglo-French action. To Nehru, this was an outrage over emerging Afro-Asian world. He condemned this attack in no uncertain terms.

Events in Hungary, the second episode of the year, took a second place in Indian foreign policy although it was also a clear Russian

Suppression of the nationalists uprising. The Anglo-French attack over Egypt, an important non-aligned country with Nasser as its head and with whom Nehru had developed close relations, appeared as a return of colonialist powers to an area from where they had been ousted. Secondly, the argument ran that a clear picture of Suez crisis was available, ^{but not} on Hungarian upheavals. The Western press agencies could not be entirely depended upon. Furthermore, Nehru was anxious not to make any statement critical to the Soviet Union and that the Indian criticism of Soviet action might jeopardise Soviet firm support to Egypt against Anglo-French aggression.

In Australia and elsewhere in the West, Indian stand was criticised as a practice of double standard of morality. In India, too, for the first time strong public reaction emerged over the Indian stand on the Hungarian crisis where India called for immediate withdrawal of foreign troops without naming Soviet Union. Although in her view both in Egypt and Hungary "human dignity was outraged and the forces of modern arms were used to suppress people to gain political objectives" yet the Indian representative voted against the UN General Assembly resolution, irked by the phrase holding of self-determination "under the UN auspices". Sensing strong public reaction, Nehru later telegraphed Indian representative, Krishnamenon, as not to vote against such resolutions anymore.²⁷

Australian Prime Minister's emotional attachment to Great Britain and his instinctive leaning toward "great and powerful friends" made

27 Subimal Dutt, with Nehru in the Foreign Office (Calcutta, 1977), P.180 also see pp. 177-8.

him to support Anglo-French action in Suez. For him the use of force outside the United Nations Charter was justified. Later on, Menzies justified that the Anglo-French action against Egypt was necessary in order to galvanize the United Nations into sending a United Nations force into the Canal Zone. However, it is contradictory in terms of her earlier position when Australia abstained from voting on a Canadian-sponsored resolution calling for the early despatch of UN emergency force to the Suez area to secure and supervise the hostilities, along with eighteen more absentees, including nine Communist states who had no desire to establish a precedent for United Nations' intervention in Hungary.²⁸ Thus, Australian position suffered a setback while the United States which deplored Franco-British action did not.

Next to these issues, Indian action in Goa was condemned in the West on the ground that it was against India's professed policy of settlement of disputes by peaceful means. Most of the Afro-Asian and Communist countries acclaimed this. Menzies, sensing the political situation in the sub-continent and seeing the entire Afro-Asian world on the Indian side, whose number was increasing, was very cautious in spite of the very strong criticism of press and public in Australia over this Indian military take-over of Goa. The reason is clear that Australia would have gained nothing from an unmeasured denunciation of India and that in case of a clash between India and China, which was looming large on the horizon on account of border disputes, Australia would support India; and supposedly this support would come on the

28 See Alan Watt, The Evolution of Australian Foreign Policy, 1938-65 (Cambridge, 1967), pp. 303-7.

heels of a thundering denunciation of India's action in Goa, which, while highly symbolic, was of little strategic importance.²⁹

Before the actual Sino-Indian war, the relations between India and Australia were generally not very cordial. In most of the cases the areas of disagreement were not directly related to either country. Prior to 1947 there was less criticism of the 'White Australian' policy as is evident from Gandhi Ji's letters and speeches. Gandhi showed no vehement reaction over this. Albeit, regarding bad treatment of Indians in New Zealand he bursted: "I cannot conceive any thing more wantonly brutal than the doings of the Whitemen of the New Zealand."³⁰ A mild statement is found about Australia that I suppose "colour prejudice is as strong in Australia as in South Africa."³¹ Gandhi dedicated his time towards achieving racial equality, hence it was necessary that he should criticise policy of racial discrimination or prejudiced restriction over migration anywhere in the world.

After 1947, no criticism is found in official exchange. Nehru was of the view that each country has the right to decide the composition of its people. Indians acquiring civil status in Australia and migration being no solution for the problem of population might, in addition, have been considerations behind India's restraint. By this policy, Australia wanted to preserve her nationality resting on "a people possessing the same general cast of character, tone of thought and the same

29 J.D.B. Miller, "Australia and Indian Ocean Area" in Gordon Greenwood and Norman Harper (eds.) Australia in World Affairs, 1961-65, (Melbourne, 1968), p.431.

30 Collected Works of Mahatma Gandhi (New Delhi: Publications Division of Government of India, 1979), vol. 18, p.309.

31 Ibid. vol. 73, p.64.

constitutional training and tradition... not actuated by any idea of the inferiority of the mentality or physique of the excluded people."³²

The transformation of the Commonwealth from a British Commonwealth into multi-racial Commonwealth was first resented by Menzies but later accommodated with the independence of colonies in Asia and Africa. The accommodational problem of the changing situation in the Commonwealth affairs was due to the fact that for Menzies a "Commonwealth in which the position of the Crown was not cardinal, in which individual need not possess a personal allegiance to the throne, was a thing distasteful if not incomprehensible."³³

India's decision to remain in the Commonwealth stemmed from various considerations both short term and long term; such as India's evolving foreign policy could get help from Commonwealth connexion on international level and that trade, defence and economic assistance and the interest of the Indian settlers could be safeguarded. Further, though India was non-aligned, she could not afford complete isolation from the great powers and this connection would provide an additional channel of communication with the United States, as several American allies, Britain, Canada, Australia and New Zealand happened to be members of the Commonwealth.³⁴ And lastly, this Commonwealth association was not a military alliance.

On many occasions during Nehru's life time and after his death,

32 Neale in JDB. Miller (ed.), n.8, p.82.

33 Greenwood in 'Australia in World Affairs, 1961-65', n.29, p.62.

34. Kancherla Balachandredu, "India and the Commonwealth: The Janata Phase", (M.Phil Dissertation, Jawaharlal Nehru University, School of International Studies, New Delhi, 1981), pp. 22-23.

voices in India were raised for withdrawal from Commonwealth but good sense prevailed and the government resisted this move. However, on two occasions Nehru himself had to think of withdrawal from Commonwealth: one at the time of Suez crisis and another on the eve of a British sponsored resolution in the Security Council calling for a plebiscite in Kashmir in early 1957.³⁵

Over the question of South Africa, the other Commonwealth nations except Australia endorsed her withdrawal in 1961 from Commonwealth. Such a policy made Australia unpopular and isolated her from Commonwealth mainstream. However, Menzies made it very clear that he was not defending apartheid pursued by South African government under Dr. Verwoerd, who regarded it as "a basic human principle" but he was defending it as "something outside the circle of matters discussed by Commonwealth Prime Ministers."³⁶

Sino-Indian border clashes culminating in full scale war in October 1962 marked the beginning of a new era in Indo-Australian relations. In Australia, like the western members of the Commonwealth, the response over this war was strongly sympathetic to India, with no division among the parties about the necessity for both moral and practical support.³⁷ This response was reinforced by the deeper suspicion of Chinese design, strong antagonism to Communism and the more immediate relevance of India vis-a-vis China to the stability of Asia and the security of Australia.³⁸

35. Ibid, P.27.

36 Miller, n.29, P. 428.

37 Greenwood in Australia in World Affairs, 1961-65, n.29, P.71.

38 Ibid.

The Chinese invasion of Indian territory put Nehru in great disillusion. He was of the view that China would treat its Asian country as good neighbour. This Chinese action demonstrated two things: India was "by no means an equal footing with China" in Asia and that Soviet Union was "not a reliable ally for Asian powers if they entered into a conflict with China. China with shrewd dexterity chose a time for this action when the Soviet leaders were otherwise engaged (in Cuban missile crisis) and could not act in Asia, that is why China retreated from its position in war after getting success in her mission."³⁹

The Australian moral and practical support was offered by exchange of sympathetic letters between the two governments and Australian condemnation of Chinese straight forward act of aggression and material assistance including blankets, military clothing, woolltops, small arms and ammunition. This Chinese incursion also paved the way for improvement in bilateral relations. From this onward in both countries, an urge was found to develop cordial relations. This can be testified by Australia's neutrality in Indo-Pak war of 1965 and Indian uncritical and uncondemning attitude towards Australia in the context of war in Vietnam. However, the expectation that this "great disaster would produce similarity of views between India and Australia in the realm of defence and security, was rejected as evident from Indian endeavour to lead non-aligned nations, opposing the extension of nuclear umbrella and the proliferation of nuclear weapons, acquisition of bases in the Indian ocean or on the Asian mainland", thereby opposing "almost every basic method upon which Australian governments had endeavoured to achieve security."⁴⁰

39 Wersing Giselher, The Indian Experiment : Key to Asia's Future (New Delhi, 1972), P.78. In his view by humiliating India Peking wanted to win the prolonged political race between India and China in influencing Asia's future development. (P. 79).

40 Neale, n.8, P. 85.

Yet the Australian material assistance was the start of her involvement in Indian defence. In November 1963 Royal Australian Air Force aircraft took part in air defence training exercises on the eastern and western sectors of Sino-Indian frontier. In June and July 1963, four Australian defence production experts visited India and in September five senior Indian defence production officials went to study Australian productive capacity. The Indian Minister for Economic and Defence Production, T.T. Krishnamchari, visited Australia in April 1963.⁴¹

Nehru's death in May 1964 and the retirement of Sir Robert Menzies at the end of 1965 marked the beginning of a new period. The Shastri era in Indian politics was very brief. On the question of Indo-Pak conflict, 1965, Australia did not take sides but was anxious about this conflict. Australia welcomed the Tashkent Agreement and this was used by her to initiate a meaningful dialogue with the Soviet Union for checking China's expansion. The Australian Minister for External Affairs, Mr. Paul Hasluck, said in the House of Representatives on March 10, 1966:

The Australia government acknowledges the responsible and constructive role played by the Soviet Union in bringing the two countries together on Russian soil.⁴²

But this agreement was resented in Australian Press because, in their opinion, Russian effort was directed towards enhancing her sphere of influence in Asia.

41 Miller, n.29, p.433.

42 Current Notes, March, 1966, p. 133.

After Shastri's sudden death at Tashkent, Mrs. Indira Gandhi was instituted as the Prime Minister of the largest democracy. The Indira period in Indian politics was, largely, the extension of those policies on international issues, pursued by her father, but in a relaxed way with a tilting balance in favour of the Soviet Union. The statement issued at the end of the visit of New Delhi of Mr. Hasluck, in March, 1966 reflected this restraint where Vietnam was simply described as a 'matter of grave concern', and the need for efforts to find a basis for talks was stressed, so that a peaceful and just solution of the problem in accordance with Geneva Agreement may be found. There was also reference to the aggressive policies of the People's Republic of China.⁴³

From 1966 to 1970 Indo-Australian relations were to a great extent cordial, if not free from differences. Australian parliamentarians of all political persuasions have been sympathetic towards India. An ease of communication through English language, the existence of many values in common, a recognition that India was engaged in a vast democratic experiment of achieving national unity and economic growth are various reasons for considerable sympathy. In March 1966, during Hasluck's visit, it was agreed that Indo-Australian consultation between senior officials would take place each year, alternating between Canberra and New Delhi.⁴⁴

The Indian Prime Minister, Mrs. Indira Gandhi's visit to Australia in May 1968 further strengthened this relationship. Mrs. Gandhi asked Australia to act as a bridge "between the Indian Ocean and the

43 Foreign Affairs Record (New Delhi), henceforth FAR, March, 1966, p. 62.

44. Greenwood in Australia in World Affairs, 1961-65, n.29, p.58.

DISS
327.54094
Sh139 In



TH-2676

developing monsoon lands of Asia on one side and the Pacific and the affluent new World" on the other side.⁴⁵ Mrs. Gandhi strongly opposed the bombing of North Vietnam. The Vietnam issue figured in practically every joint communique issued at the end of various official visits to India and abroad where political solution to Vietnam crisis was sought. But the entire gamut of communiques is silent over Australian involvement in the complex and prolonged Vietnam crisis. This shows restraint on the part of India towards Australia.

From 1965 onward the succeeding Australian governments, again with the inbuilt fear of Chinese expansionist design, were of the view that full cooperation with United States in war effort was the need of time which is reflected in their military conscription policy and climaxed with Gorton Holt's "all the way with LBJ" (Lyndon B. Johnson) thinking.

However, the failure of American policy, growing domestic anti-war feelings in both Australia and America, Nixon Administration's restructuring of foreign policy and enunciation of 'Gauguin Doctrine'⁴⁶ made Australia perplexed and she did not know as where to go and what to do.

The Sino-American patch up starting from privately diplomatic meeting in Warsaw culminating in Nixon's visit to Peking in February, 1972

45 FAR, May 1968, pp. 105-6.

46 The famous Speech of the US President Nixon at Gaum (a Pacific base) on 25.7.1969, also known as "Nixon Doctrine". This Doctrine pledged that the United States would help her allies to fight their wars on their own but would not any more herself fight their wars for them. For details see, "The Nixon Doctrine", Documents on American Foreign Relations (New York: Council of Foreign Relations, 1969).

changed the course of events. The Labour party of Australia which was also one of the main anti-war policy protagonists had long before sensed the growing need of close relations with China. Whitlam's visit to China in July 1971 as opposition leader about the same time when Henry Kissinger was busy in formal talks in Peking was responsible for his party's handsome victory in 1972 federal elections. India welcomed this Sino-American patch up, but the secret visit of Kissinger's, Secretary of State, to Peking via Islamabad was resented in the backdrop of East Pakistani Refugees' plight creating heavy strains on poor Indian economy. This move was seen as Washington-Islamabad-Peking nexus against India. This moved India closer to the Soviet Union and prompted her alongwith other compulsions including tested friendship with Soviet Union to sign Indo-Soviet Treaty of Peace, Friendship and Cooperation on 9 August, 1971.

Indian attitude towards Soviet invasion of Czechoslovakia in August 1968 was resented in Australia. Furthermore, Mrs. Gandhi's visit to that country in June 1972 was also resented because India was first non-communist power to visit that country, thereby accrediting legitimacy to Soviet action. However, she didn't fail to remind the people of Czechoslovakia that no country had the right to interfere in the internal affairs of another and that in equity a small nation should be equal to the biggest one in the enjoyment of basic rights.⁴⁷

But on diplomatic front, India voted against that very proposal in the United Nations which sought to condemn' the armed intervention

47 Shri Ram Sharma, Indian Foreign Policy, Annual Survey 1972 (New Delhi, 1977), p.19.

of the Soviet Union and other members of the Warsaw Pact in the internal affairs of Czechoslovakia and called upon them forthwith to withdraw their forces and to cease all other forms of intervention in Czechoslovakia's internal affairs'. In her view, the word "condemn" was too strong. The word "deplored" would have served the purpose.⁴⁷

One can see continuance of the same approach by India as was the case in Hungarian uprising (1956). The same arguments appear to have guided India in voting against the resolution condemning the SU and her Warsaw allies as was done during Hungarian crisis.

Notwithstanding, these differences on international issues, the LCP period in Australia shows a marked improvement in Indo-Australian relations after Sir Robert Menzies' retirement. The refugee problem in East Pakistan and the dismemberment of Pakistan's eastern wing in the shape of Bangla Desh as a result of war between India and Pakistan might have been a further cause of tension in bilateral relations but Australian official apathy prevented this to explode. The vague and to some extent, cautious statement of Australian Prime Minister, Mc Mahon on two occasions, first in Australian Parliament in April 1971 and then at the National Press Club, Washington in November the same year reflect this very clearly where he said: "we regret the loss of life" and hope that he (the President of Pakistan) can very quickly put his statement, regarding restoration of civil power, "in practice" and further that I do not think that either the government of India or the government of Pakistan want war. He further said that the real danger arises from the fact that the people of East Pakistan are being trained in guerilla warfare.⁴⁹ However, he did not mention the name of the trainers.

48 Indira Gandhi, Selected Speeches, January 1966 - August, 1969. (New Delhi: Publication Division of the Govt. of India, 1971), P.377.

49 Bangla Desh Documents (New Delhi: Govt. of India, n.d.), vol.1, p. 501 and vol.2, P.170.

In June, 1971, Sidhartha Shankar Ray, Minister of Education and Social Welfare in Gandhi government, led a special mission to Australia to explain India's position on the question of Bangla Desh.⁵⁰ The despatch of such a mission speaks the importance India started to give to her relations with Australia.

Australian Press showed sympathy towards refugee plight and asked its government to do something tangible to prevent the tension. Australia provided \$ 5,155,072 as assistance to India to rehabilitate refugees. On Dec. 5, 1971, Australian Minister for External Affairs, Mr. Bowen, announced Australia's neutrality in the armed conflict between India and Pakistan, expressing government's grave concern at the outbreak of war with willingness to continue her efforts, whatever possible, to help end the fighting.⁵¹ After the creation of Bangla Desh, Australia showed her readiness to recognise the state of Bangla Desh with government of Sheikh Mujibur Rahman on 31st January 1972.⁵²

With the outcome of war over Bangla Desh, the dominance of India in the sub-continent was established through active Russian support.

To conclude this, the entire period covered herein before, speaks a search for security in Asia in the context of the importance of the sub-continent, on the part of Australia, reflecting in her apprehension of the expansionist Communist design, particularly of Chinese, as the part of a world wide Communist scheme to penetrate into Southeast

50 Annual Report, 1971-72 (New Delhi, Ministry of External Affairs), P. 31.

51 Bangla Desh Documents, vol.2, PP. 83, 88 and 212.

52 Keesing's contemporary Archives, 1972, P. 25113.

Asia. India on her part, did not subscribe to such views, though she had been victim of Chinese aggression. India reflected an urge to play a meaningful role in world politics, long overdue, without aligning with any of the two rival blocs in the emerging post-war world. The policy of non-alignment, an article of faith for India, demanded extinction of military alliances. In this respect divergence of approach is clear, when India was against military pacts and criticised their formation, whereas Australia, as the thinking ran, could not secure her borders without such pacts.

The Commonwealth affairs dominated their relationship throughout the fifties, reflecting again the divergence of view on political issues but similarity of views on economic assistance and cooperation. The dominance of towering personalities of Nehru and Menzies in respective countries with the differing cult can be seen in their mood and policies such as Nehru's strong Asianism and Menzies' great emotional attachment to the British Crown.⁵³

Direct links between the two countries were relatively few. They were in trade, in aid and in cultural field. India did not figure prominently in Australian plans for increased trade in Asia. In contrast to trade India was the biggest recipient of Australian aid after Papua New Guinea.⁵⁴ But Australian aid was slight compared with that given by other western countries. Cultural connections arise through the

53 FA Mediansvy argued that substantive policy differences, personality differences and differences of interests and orientations have in part influenced Canberra-New Delhi relations. See his "Australia's Relations with India, 1947-1964" (Ph.D. Thesis, University of Sydney, 1971).

54 For economic relations, see Chapter III.

common use of the English language and the fact that both countries have been in the past hundred years, cultural colonies of Britain.⁵⁵

Australian quest for security in Indo-Pacific region involving Pakistan in SEATO and then Sino-American patch-up and their backing and support of military regime in Pakistan during East Pakistan crisis, led India to tilt towards Soviet Union. The Soviet influence in this part of the world made Australia anxious. This anxiety will be shown in the next chapter dealing with LCP coalition government after the exit of Whitlam Government.

55 Miller, n.29, p.422.

CHAPTER II

DEVELOPMENT OF INDIA-AUSTRALIA
POLITICAL RELATIONS

Chapter II

DEVELOPMENT OF INDIA-AUSTRALIA POLITICAL RELATIONS

By the beginning of 1970s, as a result of Sino-American detente, cold war posture had been transformed into a somewhat peaceful multipolarity. The reality of communist China had been accepted and likewise accommodated in American global strategic thinking. Kissingerian diplomacy with Beijing was seen with caution in India. Bengla Desh settlement established India's preponderance in South Asia. For the sake of convenience political relations are discussed here with three periods, viz. Whitlam period (1973-1975), Fraser Period(1975-1983) and Hawke period (1983-1986).

In Australia growing opposition to government's Vietnam policies on external front led Labour Party to sieze power from the LCP coalition in the election of December 1972. Edward Gough Whitlam was the new Prime Minister who in a major foreign policy drive took various radical decisions in the realm of foreign policy to enhance Australia's international status. In a foreign policy speech he stated:

The change of government provides a new opportunity for us to reassess a whole range of Australian foreign policies.... The general direction of my thinking is towards a more independent Australian stance in international affairs, an Australia which will be less militarily oriented and not open to the suggestions of racism, an Australia which will enjoy a growing standing as a distinctive, tolerant, cooperative and well regarded nation not only, in the Asian and Pacific region but in the world at large.

1 Current Notes on International Affairs (Canberra), December 1972,
p. 619.

While the foundations of Australian foreign policy remained the same, a change in emphasis and direction was discernible in the moves to establish diplomatic relations with the People's Republic of China and German Democratic Republic. This 'alteration in style and direction shifted Australia's alignments from that of one of the most conspicuously Western-aligned nations to that of one of the least...'²

The more 'independent stance' demanded that relations with India should be strengthened. Whitlam himself felt this need when he said that the Indian subcontinent was hitherto neglected in Australian thinking which he now wanted to redress.³ It is also important to note that before his ascendency to Prime Ministership he had visited India for six times between 1962 to 1970.⁴

Mrs. Gandhi had extended an invitation to Whitlam, immediately after his victory, to visit India. The Australian involvement in Vietnam was naturally a matter of discomfort for India but it was mildly protested. Thus, the reversal of those policies were seen in India with appreciation. Whitlam on a Republic Day Message to Mrs. Gandhi emphasised the importance his country attached to its close relationship with India and also his determination to expand and consolidate the ties between their two peoples.⁵ During his visit to India from 3-6 June, 1973, Whitlam said: 'I can not help but feel that there has been

2 G. St.J. Barclay, "Problems in Australian Foreign Policy, July-December 1974," Australian Journal of Politics and History (St.Lucia), vol.21, no.1, April 1975, pp.1-10.

3 Australian Foreign Affairs Record(Canberra) (henceforth AFAR) March 1973, p.218-19.

4 Times of India (New Delhi), 1 June 1973. All reference to the Times of India in this dssertation are to the New Delhi edition of that newspaper.

5 AFAR, January 1973, p.49.

something missing in recent years in the relationship,' and that 'our relations with India have not been given the attention they should have.'⁶

The joint communique stated that the Indian Ocean "should be free from international tensions, great power rivalry and military escalation" and declared "their intention to maintain active cooperation in the UN, particularly in the Security Council", of which both countries were then members. It affirmed their support for making southeast Asia "a zone of peace, freedom and neutrality" and expressed their abhorrence of policies of racial discrimination such as apartheid which flagrantly violates the UN charter."⁷

On the Indian Ocean there was close similarity of approach. Both the countries wanted to see the Indian ocean a "zone of peace". On the issue of peace zone proposal the previous government of Mac Mahan had abstained in the UN General Assembly. But since 1972 onwards Australia used to vote in favour of that resolution. Australia also agreed to join the 15-member adhoc committee alongwith India to study the various implications of that resolution.⁸ Until January 1974, Australia did not see any danger to her security interest by the super power activities in the Indian Ocean.

But following American announcement of developing Diego Garia into aero-naval base on 8 February 1974, Whitlam government considered it as contrary to his country's long term interest.⁹ Mr. Snedden, the

6 Ibid., June 1973, p.394.

7 Ibid., pp.397-8.

8 Ibid., February 1973, p.61 and 88.

9 Ibid., April 1974, pp.251-52.

leader of Opposition, welcomed this American move as a timely attempt to maintain the balance of power in the area.' The opposition was dangerously alarmist over Russian presence in the Indian Ocean.¹⁰ The Government also made its position clear when Senator Murphy in response to a question on notice on 21 March, 1974, replied that "Australia in no way favour or encourage the further growth of Soviet military and naval power in the Indian Ocean."¹¹ Whitlam government also initiated a dialogue with both Washington and Moscow to agree to exercise mutual restraint so that a further escalation of rivalry could be avoided in the Indian Ocean.¹² Later, Whitlam at his two overseas press meetings reiterated his government's attitude towards Diego Garcia in the phrase: "I know of no country around the Indian Ocean which has welcomed it (Diego Garcia)."¹³ Even the Australian Deputy Prime Minister and Treasurer suggested in New Delhi during his visit in May 1975 that all the countries in the Indian Ocean area including Australia should tell the U.S. to keep out as they could look after their affairs." If we want your help we shall ask you," he told the U.S.¹⁴

Though the early writings¹⁵ underscored the importance of Indian Ocean for India, Indian position over Indian Ocean was somewhat ambivalent. However, after 1967, strong opposition emanated in India

10 Commonwealth Parliamentary Debates, House of Representatives, 14 March, 1974, p.445.

11 AFAR, April 1974, p.252.

12 Ibid.

13 (1) UN Press Conference, 1 October, 1974 and (2) Washington Press Interview 6 October, 1974 reproduced AFAR, October 1974, pp. 660-70.

14 Times of India, 27 May, 1975.

15 (a) K.M. Pannikar, India and Indian Ocean (London, 1945)
 (b) K.B. Vaidya, The Naval Defence of India (Bombay, 1947).
 (c) ICWA Defence and Strategy in the Indian Ocean Area (New York, 1958).

regarding 'power vacuum' theory invented by the West, particularly United States of America. At various international forums such as United Nations, the Commonwealth and Non-aligned Movement, India expressed her concern for peace and security in the Indian Ocean. It also co-sponsored the 1971 resolution no.2832 (xxvi) with Sri Lanka to declare the Indian Ocean a Zone of Peace.¹⁶

However, Mrs. Gandhi's government never criticised the Russian moves in Indian Ocean. It was only against the American base facilities. India's foreign Minister, Swaran Singh had stated in the Lok Sabha:

"We should always make a distinction between the provision of facilities of naval units or naval crafts of any country by various parts and the provision of bases. 17

This rhetorical unity on the Indian Ocean Peace Zone Issue, however, differed in practice. Australia had been providing its base at North-West Cape and Pine Gap for American use. That is why, Snedden, the leader of opposition questioned government's credentials with regard to criticism of American bases at Diego Garcia while allowing them at its own soil under ANZUS.¹⁸

But Australia was against both Super Powers for escalating tension and proliferating arms in the Indian Ocean, whereas in Indian Concern apparantly, only, American presence was expressed. However, in Australia this Indian stand was not resented. In India, there was

16 For India's Indian Ocean Policy See Devendra Kaushik, Perspectives on Security in Indian Ocean Region, (New Delhi, Allied, 1987) pp. 108-39.

17 Lok Sabha Debates, March 12, 1974, Col.190.

18 CPD, Senate, 3 April 1974, p.613.

appreciation of Whitlam government's Indian Ocean policy¹⁹ which symbolized "a movement by Australia away from her sheltered relationship" with the America.²⁰

Australia signed non-proliferation treaty (NPT) in 1970, ratified it in 1973, and concluded a safeguard agreement with the International Atomic Energy Agency (IAEA) in 1974. On the other hand, India neither signed NPT nor agreed to IAEA safeguards. In May 1974, India exploded a nuclear device at Pokhran in Rajasthan claiming it a peaceful explosion. While the other Western governments cried over this and asked what right had a beggar to want to join the most exclusive club in the world. Canada strained her relations with India as a protest to this explosion. But Australia welcomed clear assurance made by the Indian government regarding peaceful nature of the explosion and believed that India had no intention of producing nuclear weapons.²¹ However, India's not signing the NPT was mildly protested. For India, NPT was a measure which sought to "disarm the unarmed" while leaving the nuclear weapons states free to indulge in Nuclear weapons build up. Mrs. Gandhi's response to the criticism that "a poor country like India cannot afford the luxury of a peaceful nuclear experiment" was reflected in her speech on 25 May, 1974:

19 Foreign Affairs Record (New Delhi) (henceforth FAR), April 1975, p. 138. Minister for External Affairs, Shri Y.B. Chavan said on 16 April, 1975 in the Lok Sabha replying to a foreign policy debate: "in the South Pacific we have been able to evolve a similarity of interest with Australia, for example, valuable change in the Australian attitude on the questions of Indian Ocean as a zone of peace."

20 Bruce Grant, Gods and Politicians (Victoria, 1982), p. 48.

21 AFAR, May 1974, p. 337.

"This same argument was advanced when we established our steel mills and machine building plants. They are necessary for development for it is only through the acquisition of higher technology that you can overcome poverty and economic backwardness. Is it the contention that it is alright for the rich to use nuclear energy for destructive purposes but not right for a poor country to find out whether it can be used for construction?"²²

Time and again before the explosion, the government had declared her intention for a peaceful nuclear explosion. Hence thinking is sure to lose some relevance that the explosion was potentially motivated to divert the public opinion from domestic political and economic failures of the Government.

Despite difference over NPT, relations between India and Australia were towards close. Australia groaned that the Indian explosion might encourage or facilitate further proliferation of nuclear weapons.²³ India refuted this charge by saying that it was quite wrong to imagine that the Indian explosion for peaceful purposes had somewhat damaged the future of the NPT. India is not a party to the NPT for reasons of principles. In her view, NPT was discriminatory by applying safeguards upon non-nuclear weapons states only. Secondly, it was incapable of stopping nuclear proliferation. Thirdly, the security obligations were not obligatory. The treaty again was discriminatory regarding the benefits of peaceful nuclear explosion.²⁴ Australia also accepted the shortcomings in NPT regime. Yet to her, despite all its discriminatory aspects, real and rapid progress can best be made through this treaty.²⁵

22 Times of India, 26 May 1974.

23 AFAR, May 1974, p. 337.

24 See Annual Report of the Deptt. of Space (Bangalore: Government of India Publications, 1975).

25 AFAR, September 1974, Whitlam's UN Speech pp.676-83.

In his speech at the UN, 30 September 1974, Whitlam made it clear that Australia would neither develop nor acquire nuclear weapons. This nuclear issue was isolated between Indo-Australian relations despite Whitlam's strong anti-nuclear psyche and his sharp criticism of French nuclear tests at Mururoa Atoll in South Pacific. Australia sought to draw India into safeguards agreement for the future. Australian strong reaction might have proved an impediment in developing relations with India in particular and Asia in general which Canberra wanted to avoid.²⁶

On the question of South Africa, Australia started to distance it from other Western Powers. It condemned South African policy of apartheid. It also joined the Committee of Twentyfour (on decolonization). Australia voted for a resolution condemning South Africa for its continued presence in Namibia. In 1974, it voted in the General Assembly and Security Council for resolution advocating the expulsion of South Africa from the United Nations. With regard to Arab-Israeli conflict over Palestine, Australia followed even-handed policy. Under Whitlam, Australian voting in the United Nations went a qualitative directional transformation from its Western allies towards Afro-Asian group. India welcomed this change in pattern of voting which reflected greater understanding and identity of views on world issues between the two countries.

Australia's concern for her geography ~~with regional~~ dimension made to extend her hands of friendship with China. Whitlam had sensed the urgency of doing so and immediately after his becoming Prime Minister he announced the recognition of People's Republic of China. When asked by an ABC interviewer whether Australia's seeking a more or less 'special relationship' with China was worrying India,

26 Bruce Grant, n. 20, pp. 84-8.

Mrs. Gandhi replied 'no'.²⁷ However, there is more open division between India and Australia on the place of China in future Asian politics, about which reference will presently appear. Australia wanted to integrate the PRC, the potential great power to play her due role in the region, whereas India wanted to remove Chinese influence from the region of South and Southeast Asia.

In his bid to orient his foreign policy towards a more independent Australian stance in world affairs, Gough Whitlam had proposed a regional grouping of Asian Pacific region for greater cooperation. During his visit to India in June 1973, he told a press conference that Australia wanted a regional grouping along the lines of Organisation of African Unity (OAU) or Organisation of American States (OAS) describing the main regional groupings to which Australia belonged as either "moribund, objectionable or transitional". But his ideas were not well received in India as he intended to include China and exclude India, on account of Sino-Indian relations.²⁸ These were also not welcomed in ASEAN capitals due to traditional fear of China. Earlier in February 1973, Indian President, V.V. Giri at the one Asia assembly in New Delhi, had also proposed the formulation of an Asian forum where countries of Asia could come together and deliberate on matters wherein the Asian nations have a vital interest.²⁹ This proposal also did not present any substantial basis for greater regional cooperation. However, Whitlam's proposals neither enhanced the prospects of achievement of such a regional cooperation, nor was in any way a source of friction between the two countries.

27 Indian and Foreign Review, New Delhi, 15 June 1973, p. 7.

28 Times of India, 7 June, 1973.

29 Quoted in John Knight "Australia and Prospects for Regional Consultation and Cooperation in the Asian Pacific Area. Australian Outlook(Canberra), Vol. 28, 3 December 1974, pp. 269-70.

Many senior Australian ministers, officials and public figures visited India during Whitlam period. Minister of Overseas Trade, Frank Crean, Foreign Minister, Senator Don Willesee and Deputy Prime Minister and also Treasurer, Dr. J.P. Cairns were important visitors in 1975. During Foreign Minister's visit, a Science and Technology Agreement was signed on 26 February 1975 in New Delhi between the two countries. Earlier in January 1974, nine member Australian Parliamentary Delegation led by Les Johnson, Minister for Housing and Construction came to India on a six day visit. In early February 1974, President of Australian Senate, Magnus Cormack also paid a five day visit to India. One of most important visits was by Australian Governor-General Sir John Kerr. This was his first overseas visit after becoming Governor-General. Kerr's visit was seen in India as the further evidence of sound relationship between the two countries, representing Australia's more 'independent stance' in which India, a non-aligned country, was very much interested. Kerr, also made references in one of his speeches about the importance of 'Indian Ocean' to both India and Australia. But since he was a head of State, his reference in the guise of policy would have been resented by opposition in Australia, he shrewdly echoed:

We realize in Australia the effort India is making to bring stability to this region and we in Australia would like to see the Indian Ocean free and peaceful into the indefinite future.

It is for our political leaders rather than for me, to pursue this dialogue into the details of policy by the process of politics.³⁰

30 FAR, February 1975, p.48.

Whitlam government's close identity with non-aligned policies, especially in voting behaviour in the United Nations, was a matter of appreciation for India. Australian critique of non-aligned policies of 1950s and 1960s was no more in this period. Australia also attended the Non-aligned Foreign Minister's Conference at Lima, the capital of Peru, as a guest from 25-29 August, 1975.³¹

In beginning of 1975, both India and Australia were heading towards politico-constitutional crisis. In India, the growing worsening situation of law and order led to the declaration of emergency while in Australia blocking of supply by Senate and aggressive mood of opposition gave credence to the Governor-General to dismiss Whitlam government in the guise of literal interpretation of constitution. An Australian journalist-cum-diplomat has commented that the two situations i.e. imposition of emergency in India on 26 June and dismissal of Whitlam government in Australia on 11 November "were different politically and constitutionally, yet similar in the sense that in both cases Prime Ministers were confronted with their political opponents who were using every means available to force them out of office. The difference was that Mrs. Gandhi had replied in kind, Mr. Whitlam had relied on the system, which had rejected him."³²

Unlike the Western governments critical reaction to the emergency, Australia reacted in a cautious way. Obviously, Mrs. Gandhi's repression over her political opponents was shocking to Whitlam who was a life-long admirer of Parliamentary democracy and had personally appreciated Indian democracy during his visit to India. The response of Whitlam government was sharp, although fair, the response of influential Canberra officials was hostile. There was virtually no support for Mrs. Gandhi at either political or official level.³³

³¹ AFAR, September, 1975, p. 514.

³² Bruce Grant, n. 20, p. 163.

³³ Ibid., p. 153.

On account of Whitlam's Asian orientation in the foreign policy and his government's more independent stance, Whitlam's dismissal from office was seen with lament in India. It was emergency period in India and Indian Press unanimously, from left to right, and in most cases reflecting official views since there was censor, was on the side of Whitlam government. The Indian concerned and well informed opinion wanted Whitlam's return. In its editorial, the Indian Express said:

Mr. Whitlam's future is not a matter of concern only to Australians. Most Governments in Asia will be sad to see him go, for he was the first Prime Minister to realize that his country's future lies with neighbouring Asia.³⁴

But despite expectations, Labour party was defeated in November 1975 General Election and Malcolm Fraser was asked to form the government. Thus Labour's defeat brought to a close a period which was marked by growing cooperation and similarities of views on vital world issues.

Fraser Period (1975-1983)

Fraser continued for more than seven years. In the early years of Fraser government, it was but natural that relations between India and Australia must get some setback because Mrs. Gandhi's policies on domestic front were not appreciated in Australia and her leaning towards Soviet Union was much resented in the new Government thinking. Ideologically Fraser was of that brand of men who wanted more leanings towards USA. For the Indian side, Fraser's reversing Australian foreign policy direction towards United States resembling days of 1972 was not a matter of convenience. Indian media and official opinion had anticipated Whitlam's return to office but its hope shattered. Fraser personally reversed Australian policy on the Indian

34 Indian Express (New Delhi), 13 November, 1975.

Ocean and offered prompt and continuing support for the improvement of the base facilities at Diego Garcia.³⁵

Whitlam appointee Bruce Grant as Australian High Commissioner to India, narrates his personal experience regarding Mrs. Gandhi's attitude towards the new Australian government. When he asked whether she would like a message to be passed on to the new Australian Prime Minister, Mrs. Gandhi's reply was: "what is the use "there of?"³⁶

In his first major foreign policy speech in the House of Representatives on 1 June 1976, Fraser did not make any reference to India whereas his predecessors did. He criticised the previous government for its much internationalist pacifist policies and declared: "a successful Australian external policy must be flexible, alert and undogmatic". As he put it:

Australia, a middle power, lives in a world where power in a broad sense remains the major factor in international politics. Australia lives in a world where predominant power is controlled by the USA and USSR. It is a world whose relations also depend, however, on the actions of other major powers China, Japan and the European Powers. 37

In view of some intelligence disclosure and Whitlam's crude criticism of American bombing of North Vietnam, relations between Australia and United States of America deteriorated. Fraser's strong anti-Soviet stand can be seen in that light.

One marked difference is also seen in the manner in which Fraser handled Sino-Soviet affairs. Earlier Whitlam had tried to strike a balance

35 J.L. Richardson, "Problems of Australian Foreign Policy, January to June 1976" Australian Journal of Politics and History, vol.22, no.3, December 1976, p.330.

36 Bruce Grant, n.20, pp. 170-71.

37 AFAR, June 1976, pp. 300-313.

between PRC and USSR. He visited Soviet Union as the first Australian Prime Minister with an attempt to promote newly emerged detente for international peace and cooperation. Unlike the earlier coalition governments, Fraser made his first visits to Japan and China.

On part of India, despite unresolved boundary question, a continuous search for normalization of relations culminated into resumption of diplomatic relations between New Delhi and Peking in April 1976. Fraser's comments during talks in June 1976 with the Chinese Premier Hua Kuo-Feng over Indian stand on the Indian Ocean were naturally a cause of resentment. The edited transcript of talks, mistakenly distributed to Australian journalists and subsequently appeared in the Australian press, said:

The policies of India (over Indian Ocean) to us seem to some extent unreal. They appear to espouse certain views and certain policies. They condemn the US in her efforts to build a support base Diego Garcia, necessary to preserve the balance, but they do not condemn the build up of a Soviet Union in the Indian Ocean. This shows that there is a lack of reality. 38

Reacting over this reported talk the Indian Deputy Minister for External Affairs, Mr. Bipin Pal Das, said, it was "unfortunate" that Mr. Fraser had chosen to criticise India on the soil of another country. He further said that the reported proposal of Mr. Fraser to have military combination of China, Japan, Australia and United States in this region would only mean further escalation of tensions and conflicts.³⁹

However, in both India and Australia, effort was being made to maintain the semblance relationship at a low level. A Seventy-member

38 Keesing's Contemporary Archives, 1976, p. 37939.

39 The Hindu (Madras), 26 June 1976.

Indian Parliamentary delegation led by Mr. Om Mehta, Minister of State for Home Affairs made a seven day visit to Australia in early June 1976. Apart from watching working of both Houses of Australian Parliament in session, the delegation leader met various Ministers, including Ministers for Foreign Affairs, and Defence.⁴⁰ In August that year, Indian Minister for Commerce, Prof. D.P. Chattopadhyay visited Canberra where he signed a trade agreement on 2 August. Likewise a ten-member Australian Parliamentary delegation led by Senator Magnus Cormack paid a six-day visit to India during 16-21 September, 1976. The delegation showed keen interest in the progress made by India in the field of economics during the previous one and half years.⁴¹

During Emergency, the coming andgoing of such delegations suggests nothing but a calculated move to develop relationship with more understanding. The cold relation between India and Australia were visible when no invitation came to attend the non-aligned summit conference at Colombo in mid-August 1976 which was very much anticipated.

The Australian Minister for Foreign Affairs, A.S. Peacock on more than one occasion tried to soften the sharpness of Fraser's anti-soviet stand. In a shrewd speech on 20 August 1976, he said Australia recognised that Russia was an authentic power with legitimate interests extending beyond its own region.⁴² Later he made another attempt to soften this stand. As to get the sympathy of Third World countries, he argued:

40 AFAR, June, 1976, p. 335.

41 Indian & Foreign Review, 1 October 1976, p.9.

42 Quoted in P.J. Boyce, "Problems in Australian Foreign Policy, July to December 1976" Australian Journal of Politics & History Vol. 23, n.1, April 1977, pp. 1-9.

"Third World support for a zone of peace could contribute to an internal climate of restraint in the region."⁴³

In India, Mrs. Gandhi had called for general elections in March 1977 and political detainees were released. The emergency and black repressive laws in its aftermath inflicted a heavy price on Mrs. Gandhi and for the first time in independent India Congress Party was badly defeated and Janata Party emerged victorious which was asked to form the new government. The March election was mostly fought on domestic political issues. However, Janata Party had pledged to profess genuine non-alignment, which earlier in its view was badly pro-soviet. The reason is obvious, that western democracies and their media had responded with sharp and scathing criticism whereas Soviet bloc countries had responded favourably to the emergency.

The change of government in India was a matter of convenience for Australia. This peaceful political change through means of election was appreciated in the west. Further, Fraser's penchant anti-sovietism was not paying any credible dividend to Australia. In the face of his sharp criticism the Senate standing committee on foreign affairs and defence in its report on 'Australia and the Indian Ocean Region' expressed the view that it did not consider the Soviet Union's naval presence in the Indian Ocean as a direct threat to Australia and that "the facilities enjoyed by them on Somalian territory do not qualify in the strict sense as Soviet owned facilities."⁴⁴ It further advised that over-emphasis

43 Ibid.

44 Senate standing committee on Foreign Affairs and Defence, Australia and the Indian Ocean Region (

of Soviet presence either from official sources or news media would not serve Australian interests.⁴⁵ This Committee also stressed 'a cohesive approach' with members of littoral states in order to increase its standing in the region.⁴⁶

However, despite these recommendations, Australia was worried when in March 1977, President Carter announced that he was seeking with Soviet Union a complete demilitarization of Indian Ocean.⁴⁷ But later, the talks turned futile. Australia took a sigh of relief.

Despite the emergence of Janata Party on the Indian political horizon as a mark of maturity of Indian people and their respect and desire for democracy, it was thought that India's stature had inclined in world, particularly in the West caused by defacing democracy and curtailing political freedom inside the country by the Gandhi government. Fraser was trying to cultivate good relations with India. The Change of government helped his plan. The Commonwealth Heads of Government Meeting (CHOGM) in London in June that year gave fine opportunities to both Indian and Australian leaders to forge close relations. From Indian point of view, improvement of ties could only be in her interests, especially in the economic sphere. The realization was clearly evident when India readily supported the idea of periodical consultation among Asian and Pacific members of the Commonwealth. In his first major foreign policy speech in Lok Sabha on 29 June 1977, Atal Bihari Vajpayee India's Minister for External Affairs in the Janata Government, expressed the wish to strengthen relations with Australia.⁴⁸

45 Ibid.

46 Ibid. p.89.

47 Parliament of the Commonwealth of Australia-Joint Committee on Foreign Affairs and Defence. The ANZUS alliance Australia-US relations (Canberra, 1982),p.34.

48 FAR, June 1977, p.93.

Thus, till March 1977, Indo-Australian relations can be described as cool with low key posture. With the Janata government coming into power another phase had begun in Indo-Australian relations which lasted till the fall of Janata and subsequent care-taker government in late 1979. During this phase closer cooperation and identical views were discernible on various global and regional political and economic matters through regional Commonwealth meetings and various multilateral institutions.

In the early months of 1978, Universal Proutist Revolutionary Federation, a political wing of Anand Marg, in a spate of terrorist attacks on Indian High Commission Staff members, tried to pressurise government of India for the release of P.R. Sarkar, President of Anand Marg. Australian government promptly acted to uproot the terrorists through the adoption of strict security measure.

At the first Commonwealth Regional Meeting held in Sydney on 13-15 February, 1978, Prime Minister Desai admitted that (CHOGRM) "was a positive measure which could bring us closer in a functional and purposeful manner without in any way making us apart from the rest of the Commonwealth". Moreover, it was an opportunity to find complementarity in our different systems so that we can help ourselves and help one another better.⁴⁹ Both Prime Minister Desai and Foreign Minister Bajpayee attended this first regional Commonwealth Meeting. This shows the interest of Indian government in developing good relations with Australia.

49 FAR, February 1978, pp.68-69.

More vocal position on Southern Africa with strong moralistic concern for human rights in the call by Fraser for majority rule and condemnation of apartheid brought Fraser's Australia close to India. It is to be remembered that India was the first country to condemn racial discrimination in South Africa as early as 1944 and since independence onward India has consistently opposed apartheid and had made strong representation for black majority rule supporting politically, morally and materially, the freedom struggles in Southern Africa. In the eyes of Fraser, apartheid was a "pernicious and evil doctrine". However, there was one difference between New Delhi and Canberra, New Delhi saw this situation as the continuation of colonialism and called for its elimination in order to give the black majority their due right of self-government. Whereas Canberra's anti-apartheid stand and support for majority rule, to some extent stemmed from the fact that this was the best way to prevent international Communist penetration of the Southern Africa."⁵⁰ And also this provided useful ground for improving Australia's relationship with the neighbouring as well as Third World Countries. The same reason can be deduced in the quick action when Fraser sacked Senator Sheil on the day he was nominated as a Minister in December 1977 as he had expressed pro-apartheid opinion."⁵¹ Further, Canberra saw greater role for her to exert pressure for a peaceful change while maintaining diplomatic and economic relations with South Africa. However, this rhetorical support with least practical differences was respected in New Delhi.

⁵⁰ David Goldsworthy, "Australia's Southern Africa Policy," World Review (St.Lucia), vol.17, no.2, June 1978, p.54.

⁵¹ Ibid., pp. 54-5.

In this phase, two events occurred which were of immediate concern to both India and Australia at least rhetorically with varying degrees. First was the intervention in Kampuchea by Vietnam on 25 December, 1978 leading to Chinese indulgence in war against Vietnam. The other one was Soviet invasion of Afghanistan in late 1979. But before that it would be worthwhile to analyse the impact of Fraser's nine-day visit during 25 January to 2 February to India. The visit was largely acclaimed to enhance the areas of cooperation between the two countries.

Addressing the Indian Parliament, Fraser praised India's commitment to the democratic principles. "It has been sustained in circumstances which have never been easy and sometimes have been dauntingly difficult", he said. He also expressed that just as India's non-alignment had often been misunderstood, Australia had also been looked upon as an appendage of Europe, despite the fact that it had developed a distinct personality of its own and had moved closer to Asia. Both countries agreed that there was urgent need for both aligned and non-aligned countries to find positive ways to reduce tensions and shared the view that this should not be left to the superpowers alone.⁵² In the talks close similarity of views was found with honest differences of opinion such as creation of a zone of peace in the Indian Ocean and Nuclear non-proliferation Treaty etc.

This was a successful visit in harvesting good relations between the two countries. But before the commencement of this visit Vietnam

52 Indian & Foreign Review, 15 February, 1979, p.6.

had invaded Kampuchea. It is to be remembered that after Lan Nol's ouster, Khmer Rouge were able to establish themselves in power in 1975 under pol pot who let lose the repressive laws to achieve his "zero state". The Whitlam government had recognised pol Pot, But as soon as the news of horrific deeds of Pol Pot regime began to pour into Australia, serious division arose in the public towards the continuation of this recognition. However, Fraser remained strict in not withdrawing recognition. Reports regarding Pol Pot methods revealed that socio-economic revolution was carried out with considerable brutality and loss of life. Buddhism was banned, money was abolished and the concept of the family attacked. This terrorising regime was a favourite of China. The reason was obvious. Since Vietnam was moving towards Soviet Union naturally Kampuchea had to fall towards China on account of Sino-Soviet rift. Serious border clashes were reported in Mekong Delta area in this period. Vietnam signed a Treaty of Friendship and Cooperation with Soviet Union in November 1978 and was accepted into COMECON (Council for Mutual Economic Assistance), very swiftly. Fraser commented that this Soviet-Vietnam treaty had introduced part of the Eastern bloc into Southeast Asia. It is beyond doubt that the signing of this treaty had emboldened Vietnam to attack Kampuchea on 25 December 1978 and later capture Phnom Penh by 7 January 1979. Australian reaction was very strong. Fraser said that despite Pol Pot's horrific government, the Vietnamese invasion to oust it, could in no way be condoned.⁵³

On Kampuchean issue the two governments were treading on

53 Sydney Morning Herald, 12 January, 1979.

different paths though not in a hostile manner. For Australia, growing closed relations with China, to some extent on account of anti-Sovietism of Fraser, and developing of good bilateral relations with ASEAN (Association of Southeast Asian Nations) neighbours meant that it should ask Vietnam to withdraw from Kampuchean territory. In a news release on 8 January 1979, Prime Minister Fraser expressed his government's deep concern over the resort to armed attack against Democratic Kampuchea by the Socialist Republic of Vietnam.⁵⁴ Speaking in the United Nations Security Council, Australian UN Ambassador, H.D. Anderson expressed the firm view that there should be immediate cease-fire between the warring parties in the conflict and that Vietnam should withdraw its forces from Kampuchea.⁵⁵ The Australian Foreign Minister, A.S. Peacock, later held discussions with Soviet, Chinese and Vietnamese ambassadors on this matter. He also wanted to use the Soviet-Vietnamese special relationship to diffuse this tension. However, on 24 January 1979, it was announced that Australia had withdrawn all foreign aid to Vietnam and that all cultural exchanges were suspended. This was a very strong position which Australia had adopted among the western countries because no western country had gone to the extent of suspending aid and cultural exchanges. When Fraser made a visit to India, naturally this was considered for the most time but for the sake of forging good relations the difference was not on the surface.

The events in Indo-China were disturbing to India. It was apprehended in Indian decision making circles that if China could gain

54 AFAR, January 1979, p.39.

55 Ibid., p.40.

dominate over Southeast Asia, she would damage the predominance of India in the South Asian region.⁵⁶ To India, Vietnam's drift towards Soviet Union was a welcome move. After a few days of Vietnamese intervention into Kampuchea, Vietnamese Foreign Minister, Nguyen Duy Trinh visited India from 28-30 December, 1978. But the joint press statement was silent over this incident. There were admittedly some differences but they thought that references to the Kampuchean problem would not serve their interest. Actually, Desai government was in a dilemma as it was concerned to improve relations with China, but at the same time it was inclined to support Vietnam against China.

When Chinese attacked Vietnam on 17 February 1979, Indian reaction was very strong. India's Foreign Minister Vajpayee had been on a visit to China at that time. It was very disgraceful that China had attacked Vietnam when the Indian Foreign Minister was on its soil. Vajpayee cut short his visit. In India abhorrence was found against Chinese revenge which brought nearer home the 1962 Chinese aggressive attacks against India. Grave concern was expressed in India over the outbreak of hostilities between China and Vietnam. Indian President and Prime Minister stressed the need for the withdrawal of Chinese forces from Vietnam. Lok Sabha debated this issue on 22 February. Replying to the debate, Vajpayee appealed the big powers to exercise restraint and put pressure on China to withdraw from Vietnamese territory. "The aggressor can not be allowed to enjoy the fruits of aggression", he said. He also expressed India's solidarity with the brave and valiant

56 John W. Garver, "Chinese-Indian Rivalry in Indo-China", Asian Survey (Berkeley, California), vol.27, no.11, November 1987, pp.1205-19.

people of Vietnam who were now facing a new crisis.⁵⁷

India succeeded to isolate Vietnamese action in Kampuchea in her relations with Vietnam. But India had not accepted Vietnamese intervention into Kampuchea. Indian subtle protest was made known to Vietnam which was asked to withdraw from Kampuchea in order to facilitate Indian recognition of Heng Samrin government in Kampuchea.⁵⁸

Australia also responded to the Chinese intervention in Vietnam. In a news release on 18 February, 1979, the Government asked Vietnam to withdraw from Kampuchea and China to withdraw from Vietnam.⁵⁹ In this situation Australia saw the two problems interlinked. Therefore, in a statement to Parliament on 27 February Andrew Peacock echoed: "the issue between China and Vietnam is not likely to be resolved with any element of permanence by a settlement on China-Vietnam border which leaves the situation in Kampuchea unchanged."⁶⁰ Australian government was of the view that horrific deeds of Pol Pot regime provided no excuse for Vietnam's use of force. The Government reiterated that all disputes must be settled through peaceful means. However, government was not very anxious over Chinese intervention in Vietnam as was its stand over Vietnamese intervention. Clearly, there was a China bias which was also criticised by the Opposition in the Australian Parliament.

57 Indian & Foreign Review, 1 March 1979, p.7.

58 Ramesh Thakur, "India's Vietnam Policy, 1946-1979", Asian Survey, vol.19, no.10, October 1979, p.973.

59 AFAR, February 1979, p.95.

60 Sydney Morning Herald, 28 February 1979.

A pattern is discernible in the responses made by New Delhi and Canberra over Indo-China. On the one hand India sharply criticised Chinese act of "Committing aggression" against Vietnam while she remained silent over Vietnamese armed intervention in Kampuchea. On the other hand, Australia's sharp criticism went against Vietnamese intervention whereas it took a lukewarm stand over Chinese incursion into Vietnam. Yet one finds a marked difference between Australian and Indian thinking. While Australia had publicly asked China to withdraw from Vietnam, India had not asked Vietnam to withdraw from Kampuchea. This policy by the governments of India and Australia stemmed from their different perception of world politics in its regional dimension. But in the bilateral relations due to maturity we see no serious friction between the two governments over Indo-China affair as was over the Suez crisis.

During Fraser period when Janata Party was in power in India, no ministerial visit was exchanged except the Fraser's visit to India in January-February 1979 and Indian Prime Minister and Foreign Minister's visit to Australia to attend the Commonwealth Heads of Government Regional Meeting (CHOGRM) in early February 1978. However, exchange of Parliamentary delegation was made. An eight member Parliamentary delegation led by R.G. Groom, Minister for Housing, Environment and Community Development paid a two-week long visit to India from 7 July, 1978. Later in January 1979, Ram Niwas Mirdha, Deputy Chairman of the Rajya Sabha led a nine-member Parliamentary delegation to Australia. This period saw growing cooperation in agricultural, solar energy and technical fields.

At the close of 1979, Afghanistan episode brought the two governments on a differing path once again. But at this time Mr. Gandhi was all set to win the mid-term election which was being held on account of disintegration of Janata Government. Thus, from 1980 to March 1983 a third phase started in Indo-Australian relations during Fraser's Prime Ministership.

On 27 December, 1979, red army marched into Afghanistan on pretext of being invited by the Afghan Government. This constituted the most forthright activity in the history of Fraser's foreign policy. In subsequent days following the intervention, Prime Minister and Foreign Minister met Soviet Ambassador in Canberra. The Government ordered review of Australia's relations with the Soviet Union. The result of this review was announced on 9 January 1980. The review said that the Government would consult with the US about greater Australian involvement in the Indian Ocean surveillance. It also said that Australia would support American grain embargo on the Soviet Union and various privileges to the Soviet Union would be denied.⁶¹ The purpose of these measures was to communicate to the Soviet Union that the price of their action in Afghanistan would be a 'heavy one indeed' so that this kind of behaviour would not be repeated.⁶²

In order to gain wide spread support, Foreign Minister, Peacock, was despatched to the subcontinent and some ASEAN capitals but he realised soon that those governments saw the crisis in different

61 Martin Idyke, "Walking Tall with a short stick: Australian Policy towards the crisis in Iran and Afghanistan", World Review, vol.20, no.3, August 1981, p.84.

62 AFAR, December 1979-January 1980, p.663.

perspective. The Prime Minister himself went to western capitals where he also realised that their response except that of Washington was less concerning. Olympic games were to be held in Moscow in the summer of 1980. It was feared in Australia and in the West that Soviet Union might claim participation of western countries as the endorsement of her action in Afghanistan. President Carter therefore had called for Moscow Olympic Boycott. Australia initially echoed this call but subsequently on account of domestic pressure it succumbed to Australian Olympic Federation which voted to send the Australian team to Moscow.⁶⁴ In the grain embargo, Australia did not keep its words. Ultimately economic interests proved superior to political rhetoric. Australia had earlier pledged for grain embargo. But the amount of sale to Soviet Union increased.

The two events i.e. Vietnamese invasion of Kampuchea and Soviet intervention in Afghanistan were very close. But Australian perception of threat to her security was more visible in the government thinking in the latter case because of direct involvement of Soviet Union.

In India there was a caretaker government under Charan Singh when Soviets moved into Afghanistan. But in view of likely return of Mrs. Gandhi as Prime Minister in the ensuing General election, Charan Singh's strong criticism of Soviet action went into bewilderment. From relevant documents and ministerial exchanges of visit it can be deduced that for India the Afghanistan issue was not only a regional issue but an issue which was, if untactfully handled, about to tremble the basic

63 Indyke, no.62, p.91.

goals of Indian foreign policy, particularly security and regional supermacy.⁶⁴

In the wider context of international politics, India saw this episode as creating great power rivalries in this area. Hence one finds more concern over American moves towards military rearmament of Pakistan than Soviet invasion of Afghanistan. However it is not to subjugate the argument that Mrs. Gandhi's government was not disturbed over Russian invasion of Afghanistan. It was reported in some sections that Mrs. Gandhi had endorsed her strong views against Russian invasion of Afghanistan to Soviet leaders. These were later translated into an assurance to India of Soviet willingness to withdraw from Afghanistan as soon as situation improved. Soviets had also sensed the mood of the Indian public opinion and the embarrassment posed to the Gandhi government by their actions. Soviets wanted, therefore, that India should not condemn Soviet Union, publicly. The Soviet Foreign Minister, Gromyko's visit to India in February 1980 and later Breznev's visit in December despite his chronic ill health indicat this.⁶⁵

In the United Nations India abstained from voting in General Assembly on 14 January 1980, the day Mrs. Gandhi was sworn in the New Delhi, on a resolution calling for the immediate termination of armed intervention in Afghanistan. In the light of Soviet historical vetoes in favour of Indian the United Nations, one could only expect

64 Two recent books have dealt in detail with the Foreign Policy of Indira Gandhi, (i) Surjeet Manshing, India's Search for Power: Indira Gandhi's Foreign Policy 1966-82 (New Delhi, 1984) and (ii) George et Timothy al., India and the Great Powers, Grower, U.K. for the International Institute for Strategic Studies(London 1984).

65 Mansingh, *ibid.*, p.157.

this.⁶⁶ As a result India had to bear some disrepute in the non-aligned and third world circles as well as countries of Islamic conference.

In the subsequent months India tried to diffuse the tension through regional initiative for peace. However, it was opposed by Pakistan. Some moderation was visible in Indian response towards Soviet presence in Afghanistan. In a subsequent statement in Parliament immediately after Breznev's visit, Mrs. Gandhi said she had conveyed to the Soviet Leader, India's serious concern and expressed her government's serious opposition to all forms of outside interference in the internal affairs of other countries whether through the induction of regular troops or through infiltration."⁶⁷ This statement was enough to assuage the feeling of non-aligned countries whose foreign ministers were to assemble in New Delhi in February 1981.

There is no intention here to present Indian and Australian responses to the Afghanistan crisis in trivial detail but to show their respective perception as they reacted. It is also worth noting to analyse how far divergent approaches could influence the relationship. It is clear from the official talks between India and Australia that no serious friction arose out of this. At the CHOGRM meeting in New Delhi in September 1980, the final communique stated that despite differing perceptions it is imperative to demand a settlement which would ensure that Afghan people would determine their own destiny free from foreign interference and intervention."⁶⁸ Earlier on

66 timothy George et al., Ibid., p.111.

67 Quoted in Far Eastern Economic Review (Hong Kong), January 2 1981, p.19.

68 Text of Final Communique; issued at the Conclusion of CHOGRM, on 8 September 1980, AFAR, September 1980, p.321.

4 September, Mrs. Gandhi while referring Afghanistan crisis groaned that "partisan postures or impromptu get togethers are no substitutes for statemanship in solving such complex problems. To condemn intervention at one place while tolerating it elsewhere does not carry conviction."⁶⁹

This is also substantiated by Commonwealth Heads of Government Meeting (CHOGM) 1981 at Melbourne where a consensus was reached after much divergence which called for a "speedy" withdrawal of "all foreign forces" from Kampuchea and Afghanistan and urged a political settlement which would ensure sovereignty, independence and comprehensive territorial integrity of all states in the region, including Kampuchea.

Mrs. Gandhi succeeded in thwarting the informal move by Australia regarding the re-entry of Pakistan into the Commonwealth.⁷⁰ At this Meeting Mrs. Gandhi's well representation of Third World cause, very much impressed Fraser.

It was maturity of the relationship that these troubles and divergent approaches thereupon were unable to produce friction or atleast hot exchanges which was the hall mark of Nehru-Menzies period. In this third phase of Fraser period, economic cooperation was advancing in various fields between the twocountries. Particularly Fraser's staunch

69 FAR, September 1980, p.187.

70 Far Eastern Economic Review, 9 October 1981, p.8.

support for New International Economic Order (NIEO) despite being a developed western country, was a good feather in Australia's cap. Though the reasons for Fraser's (hence Australia's) support for NIEO were mainly economic in nature yet it is no gain-saying that this support was a good cause for growing relationship. India's bias towards Soviet Union was bypassed in Australia, despite Fraser's strong anti-Soviet mentality. Likewise, India as she was strongly opposed to US bases at Dugo Garcia hardly had criticised American use of Australian bases. One reason of this tacit agreement over soft attitude of each others' policies may be the primacy of economic and political benefits. On the part of India it can be questioned that despite American aid and trade with India in huge volumes, at times she has been victims of Indian scant criticism. Then how unsizeable economic benefit could prevent India from such a criticism of Australia. The reason is obvious. American policies and moves were influencing Indian Security whereas this was not in the case of Australia. On the part of Australia, Indian democracy which had stood the test of time, her standing in the NAM and her championing the Third world causes could have been sufficient reasons behind a policy of restraint because Australia had started supporting Third World causes being a producer of primary commodities.⁷¹ In Australia it was noted that government of India had distanced itself from the support of Soviet-intervention in Afghanistan and that India had opposed such interference by outside powers in regional affairs.⁷²

71 Australia established a Committee to look her relations with the Third World as early as 1978.

72 AFAR, January 1981, p.31.

In her election manifesto Mrs. Gandhi had pledged to recognise Heng Samin government in Kampuchea, sensing the mood of Indian public.⁷³ After winning election, however, she took six months to accord de facto recognition to that government on 14 July 1980. India was the first country outside the Communist bloc to accord recognition. This was greatly deplored, particularly in ASEAN capitals. Defending her position Mrs. Gandhi said that as once before, too, when India was alone in recognising China in 1949 and was ultimately proved right, India would again prove right in the case of Kampuchea and in not ostracising Vietnam.⁷⁴ Mrs. Gandhi's conviction and guess proved right when Australia, too, after much political debate and tense relation between the Prime Minister and Foreign Minister with extra pressure of opposition and public opinion, announced, on 14 October, 1980 at least as a first step, derecognition of Pol Pot regime on the pretext of 'public revulsion' at the regime's mass killings, only 4 days before the federal elections.⁷⁵

73 One political analyst argues that Indian decision to recognise the Heng Samrin regime in July 1980, was primarily the result of calculations related to the triangular relationship among China, Vietnam and India rather than the function, as it was commonly assured in the West, of either Soviet pressure on India or of Indira Gandhi's return to power earlier that year. See Mohammed Ayoob "Southern Asia in Indian Foreign Policy: Some Preliminary Observations", Contemporary Southeast Asia (Singapore), vol.9, no.1, June 1987, pp.1-11.

74 Indian & Foreign Review, vol.17, no.23, 15 September, 1980, p.11.

75 For Political Debate see Paul Kelly. Hawke Ascendancy: A Definitive Account of its Origins & Climax, 1975-83 (Sydney, 1984), pp.126-31, and first hand decision was taken, see John Knight and W.J. Hudson, Parliament and Foreign Policy (Canberra, 1983), pp.11-19.

It is also the irony that during Fraser-Gandhi period, leaked reports were about to create tense relationship between the two countries. First was Fraser's talks with Chinese Premier regarding India's policy on Indian Ocean. The second such occasion was the leaked report of Australian High Commissioner to India, Mr. Gordon Uptan, to his government. In the report he stated, after nine months in office she had failed to solve or, "even to offer effective solution to India's major domestic problems. He also predicted, "in the long term, the prospect of a military takeover can not be entirely ruled out." Canberra promptly moved to compensate this damage when it said, "such critical statements as have been made do not detract us from the importance we all attach to relations between Australia and India."⁷⁶

Apart from these conflicting issues, on other issues there appears close identity of views. For instance on issues like the South Africa, Apartheid, Namibia, problem in West Asia, New International Economic Order (NIEO), Disarmament and Human Rights etc., both the governments seemed to be satisfied with each other's performance. One reason for little divergence is evident. In Indian case her security was not involved, rather her desire to play role as Third World country so that her prestige could enhance among the third world countries. Whereas on the part of Australia more posture with democratic values and a desire and strategy to eliminate the chances of Soviet influence in those areas⁷⁷ can be deduced.

76 Hindustan Times (New Delhi), 7 November 1980. The report appeared in Laurie Oakes, "India-Indira Gandhi's Faltering leadership", The Age (Melbourne), 6 November, 1980.

77 See J.P. Schlegell, SJ "Patterns of Diplomacy: Canada and Australia in the Third World", Australian Journal of Politics & History vol.30, no.1, p.17.

Before moving to next phase i.e., the Howke Period it would be worthwhile to conclude that the first phase of Fraser period which lasted till the emergency in India can be termed as cooling off relations but with a desire to develop it. The second phase formed the period when the Janata Party was in power. This period saw the fulfilment of desires for good, friendly relations coupled with regional initiatives and economic cooperation. The third phase started with Mrs. Gandhi's return to power with absolute majority for her party in the Lok Sabha. This phase can be termed as a phase of close relations with divergent approaches.⁷⁸ Successive ministerial visits from Australia to India were also indicative of harnessing good relations.

Hawke Period (1983-86):

Labour Party victory in March 1983 Federal Elections owed much to the charismatic personality of Bob Hawke who had built his political power on trade union authority and media skill.⁷⁹ Only a few days earlier he was chosen as the leader of Australian Labour Party siding back Bill Hayden, ~~the~~ ALP leader. The new Labour government showed emerging bipartisan nature of the decision-making process with little divergence from its predecessor government. For example, while Whitlam Labour Government had antagonised Nixon administration by its independence stance in international relations, Hawke sought to assure and then reassure the Reagan administration that Australia was a committed partner.⁸⁰

78 Indira Gandhi believed, "there is no such thing as Western countries. They are individual countries, each has a different policy and on the whole they are friendly to us" Man-Singh, n .65, p.342.

79 Bell Coral, "Dependent Ally: Australia's Relations with UK,USA since the Fall of Singapore (Canberra, 1984),p.225.

80 Michael, Mc Kinley, "Problems in Australian Foreign Policy, January to June, 1983, Australian Journal of Politics and History, vol.29, no.3, p.422.

This bipartisan approach in decision-making process was accepted by Hawke, at the very time of election. As he put it:

"The essential elements of Australian defence and foreign policies have taken on a quality of bipartisanship inconceivable before 1972 (i.e. the election of Whitlam Labour government). The great question of Australia's relationship with the USA, with the PRC, the Soviet Union, the European Economic Community, Indonesia, our special relationship with the Commonwealth of Nations, Papua New Guinea, New Zealand and Japan and our conduct on Southern African question, now possess a high degree of continuity, consistently and consensus."⁸¹

However, it was clear that the new Prime Minister was pragmatist and not ideological as Fraser. The Labour foreign policy was marked with "relevance and realism" in place of "pursuit of doctrine", for the new government there were many problems in the field of external affairs. It shouldered the heavy responsibility when Australia appeared as honest broker to solve the complicated problem of Kampuchea. As the Fraser government had stopped economic assistance to Vietnam, the new Labour government continued this assistance again on the plea that this might create conditions conducive for bringing back Vietnam into the mainstream of regional life. India had also started close relations with Vietnam. But there was a difference in the perception of both the governments. India wanted to reduce the influence of China in the region whereas Australia wanted to reduce that of the Soviet Union. Prime Minister Bob Hawke had strong psychological reservation against Soviet Union. As he said "you can only deal with the Soviet Union from a position initially of strength." He even backed US defence build-ups to contain what he described Soviet Expansionism.⁸²

81 Quoted in AFAR, June 1983, p.268.

82 Micheal Mc Kilney, no.81.

The entire Hawke ^{era} in Indo-Australian relations can be termed as demonstrating more vocal support on world issues with acceptance of growing contact in political and economic affairs between the two countries. The first contact between New Australian Prime Minister and Mrs. Gandhi was at the CHOGM 1983 in New Delhi in November 1983. This was his first multilateral meeting which he attended. On the question of Zionism being equated with racism at the New Delhi CHOGM, he was against such equation on account of his sensibility about Israel. He was reported to have backed Mrs. Thatcher's resistance to a "new Bretton Woods" proposal.⁸³

The US intervention in Grenada in October 1983, resembled in many ways to Soviet intervention in Afghanistan in that the reaction of Australia over Grenada, and reaction of India over Afghanistan, to a great extent, was similar. First Australian statement made by Foreign Minister, Bill Hayden on 26 October evaded any comment on account of insufficient information of the incident. Later on, the said minister stated that the Government welcomed the assurance given by President Reagan and conveyed to Prime Minister Hawke that US looked for withdrawal of its forces at the earliest opportunity.⁸⁴

With regard to the Indian Ocean Peace Zone proposal, the Hawke government strongly ~~opposed~~ ^{backed} it. However, the difference between the two governments was as clear as before. While New Delhi was for the elimination of all foreign bases from the Indian Ocean. Canberra respected the idea but felt that it was not practicable. The best way

83 Caral no.80, pp.237-8.

84 AFAR, October 1983, p.666

being maintaining balance of forces at the lowest level in the Indian Ocean.

The Jackson Committee set up in April 1983 recommended for more attention towards South Asian region, particularly India. The Report stated that India in particular should rank more highly as an aid recipient than hitherto.⁸⁵ In an speech to Perth Press Club on 20 June 1984, Australian Minister for Foreign Affairs had indicated his government's desire for developing close contacts with New Delhi. "Relatively low level of priority we have given, our relation with India has not been to our advantage", he explained. His visit to South Asian countries later in May 1985 is an evidence of that importance which Canberra attached.

Australian response to Mrs. Gandhi's assassination on 31st October, 1984, was exemplary of the growing relationship. In a news release on 31 October, 1984, Prime Minister Hawke said: "I was shocked and deeply saddened to learn that Prime Minister Gandhi has died as a result of the shameful act of violence. The Australian government deplores this wanton act of terrorism". on 1 November 1984, in a message to new Prime Minister, Rajiv Gandhi, he expressed on behalf of his government and people of Australia his deepest sympathy on the tragic death of Mrs. Gandhi. In that message he hoped that new Indian Prime Minister would find an opportunity to take up the initiative to visit Australia.⁸⁷

85 AFAR, June 1984, p.581.

86 Ibid.

87 Afar, October 1984, p.1157 and November 1984, p.1233.

Australian Governor General, Sir Ninian Stephen and Deputy Prime Minister, Lionel Bowan, M.P. represented Australia at the state funeral of Mrs. Gandhi on 3 November 1984. This shows the enhanced relationship and maturity in contrast to previous such occasions when no Australian representation was made at the time of Nehru's passing away in 1964 and Shastri's death in 1966.

It is clear that external forces have been unable to block the growing relationship between Canberra and New Delhi. In the Hawke period Australia's relations with China were growing but those were not an impediment in Indo-Australian relations. In April 1983, the visiting Chinese Premier to Australia, Zhao Ziang remarked:

"It is impossible to make Vietnam drift apart from a certain superpower or withdraw its troops from Kampuchea by providing it with some aid or by adopting a somewhat flexible policy towards it as some people may think."⁸⁸

Clearly this was Chinese protest to Australian mediation efforts. This protest originated from her desire to bring Vietnam into international isolation. China's desire for normalisation of relations with New Delhi partially owes to this effect. Since in Indo-Chinese imbroglio both New Delhi and Canberra are for a negotiated peaceful settlement of all outstanding problems though for different reasons, this functional diplomatic unity has checked the relations between New Delhi and Canberra to deteriorate with the China factor.

In Australian Labour Party there has always been an anti-US faction on the fringe of left which has been advocating dismantling of US

88 Keesing's Contemporary Archives, 1984, p.33036.

bases at North West Cape, Pine Gap & Nurrungar etc. in Australia and eventually the abandonment of ANZUS. Section of academia and informed public apprehend possible Russian attack on US bases in Australia in time of actual war and case has been pleaded for armed neutrality⁸⁹ for Australia by become self-reliant in defence. But the government had rejected this plea. The Australian Defence Minister, Gordon Scholes in a conference on 'Australia's Defence and National Security: the American Effect' organised by Pennsylvania state University argued that "withdrawal from the alliance" to some form of "armed neutrality" would be a serious abrogation of our responsibility to contribute to both Australia's and Western Community's security interests."⁹⁰ Earlier Hawke had echoed this in Washington that "Australia is not and cannot be a non-aligned nation. We are neutral neither in thought nor in action."⁹¹

However, despite this declaratory statement Canberra decision makers could not undermine the importance of non-alignment and the special benefit which it could accrue from championing Third World causes (which are almost non-aligned). Indeed, non-alignment was one of the reasons for giving importance to relations with India. It was significant that Australia acquired guest status at 8th NAM summit at Harare (Zimbabwe) in September 1986.⁹² Mr. Gordon Bilney, M.P., and

89 David Margin, "Armed Neutrality for Australia" (Blackburn, 1984); He argues: Consider how crassly absurd it is that this nation with everything it grows and makes, sea-girt and far from the main centres of strife and dispute should be gambling to peace on what may happen between Russia and America, which have no ears to listen to us (p.277).

90 AFAR, June 1984, p.589.

91 Quoted Coral, no.80, p.226.

92 K.P.Misra, Non-aligned Movement: India's Chairmanship(New Delhi, 1987), p.81.

Australian UN Ambassador attended the meeting where they played their part to support India's vigorous drive against apartheid.⁹³ More than that a closer cooperation was evident at CHOGM-85 in Nassau (bahamas) where Australia, an important developed country was fervently on the side of brown majority in the Commonwealth. At Nassau, Britain maintained its opposition on economic sanctions on the pretext that blacks would suffer most. Australian Prime Minister reminded Britain that the days of British empire were over.⁹⁴ Australia remained in the forefront in the creation of Eminent Persons Group to encourage through all practical ways the evolution of that necessary process of political dialogue in South Africa among confronting parties. Both Australia and India were included in the seven member group which met in London in August 1986 to consider the report of the group which had visited South Africa. All the Heads of Governments, except British Prime Minister, Mrs. Thatcher, agreed to apply the 'Nassau Package' meant for dismantling of apartheid in South Africa. Both Indian and Australian Prime Ministers played very active role in this.

Prime Minister Rajiv Gandhi's visit to Australia in October 1986 made further progress in maintaining cordial relationship between the two countries. In July 1986, Indian Minister for Steel and Mines, K.C.Pani also visited Australia. Matters discussed at Prime Ministerial talks were mainly of bilateral economic nature. Australia had attached great importance to this visit. Australian Prime Minister said in the Australian Parliament on 17 October 1986 that this visit was of great significance

93 Statesman (New Delhi), 2 November 1986.

94 Round Table issue no. 297, January 1986, p.74.

in view of considerable importance and status of India as a power in Southern Asia and the Indian Ocean region, and its important position in the UN, the NAM and the Commonwealth.⁹⁵ A new Science and Technology Agreement was signed during this visit replacing the previous one signed in 1975. Both the countries also agreed for greater economic tie-ups.

Every Australian government had resented on India not being a signatory to the NPT. Bill Hayden, on various occasions, indirectly appealed India to sign the NPT. At this visit an appeal was made by Australian government to place India's nuclear programme under safeguards of the International Atomic Energy Agency which was promptly rejected by India.⁹⁶

The creation of SARC^A was welcomed by Australia and she fully understood the Indian anxiety in solving the ethnic crisis in Sri Lanka.⁹⁷ At Rajiv-Hawke talks, it was agreed to launch a joint initiative to bring about nuclear disarmament and persuade the two super powers to continue

95 AFAR, October 1986, p.955.

96 Emirate News (Abu Dhabi), 16 October 1986.

97 The Australian of 14 October 1986, owned by Mr. Rupert Murdoch, featured an 'Open letter' to Mr. Rajiv Gandhi signed by the Sri Lankan Organisation for National Harmony of New South Wales, the Sri Lankan Women's Association of Victoria and the Queensland Association for Sri Lankan Unity. The letter called upon India to 'liquidate immediately the Tamil terrorist presence on the soil of South India'. Secondly to return to internationally accepted norms in India's relations with Sri Lanka.

their dialogue on arms control. Both the leaders expressed their dismay at the failure of Reykjavic summit between the two superpowers.⁹⁸ Bob Hawke observed powers alone were not "the arbiters of the world's destiny" and that others also had a constructive role to play.⁹⁹

India's initiative in disarmament was appreciated by Australia. On may 22, 1984, Mrs. Gandhi had joined in a major global initiative in the field of nuclear disarmaments. She and five other world leaders of Argentina, Greece, Sweden, Mexico and Tanzania made a declaration appealing to the five nuclear powers to halt all testing, production and deployment of nuclear weapons and their delivery system, to be immediately followed by subsequent reduction in nuclear forces. Then again on 28 January 1985 in New Delhi the six nations called for a comprehensive test ban on the nuclear powers. Further in early August 1986 these six nations met in Mexico and issued Mexico declaration on Disarmament. Australian Foreign Minister Bill Hayden said that the concern expressed in the declaration about the dangers of nuclear arms race closely coincide with those held by Australia. Moreover, the specific measures proposed by the six-member group in many respects were parallel to type of solutions envisaged by Australian government and its people.¹⁰⁰

With regard to nuclear logic for stability in the region, K.Subrahmaniam's views were resented in Australia. In course of a

98 Statesman (New Delhi), 15 October 1986.

99 Indian Express (New Delhi), 15 October, 1986.

100 AFAR, February 1985, p.133 and August, 1986, p.755.

conference in Canberra in early 1984, he argued that there was no reason why symmetric nuclear capability should not stabilise the situation in the sub-continent as had been the case in the industrialised world alongwith the Sino-Soviet border." However, Indian Government indicated that it did not share Dr. Subrahmaniam's view. Necessarily this was a welcome move for Australia.¹⁰¹

Thus to conclude on international issues particularly apartheid in South Africa, Independence of Namibia, the cyprus crisis, closer cooperation was recorded in this period. Australian efforts for peaceful mediation in Indo-China affair were seen with appreciation. The difference such as over NPT and Indian Ocean were not of fundamental nature. Bilateral economic relations were greatly enhanced in this period.

The entire political relations between New Delhi and Canberra present some interesting avenues of international politics before us. In the emerging pattern of detente since the early 1970's and receding trend in cold war language, the relationship between these two States, one non-aligned and the other aligned, however, presents a non-confrontationist scenario. In the fifties and early sixties on account of ideological pattern of politics with prevalence of cold war pronouncement, the two states were often seen in the state of confrontation. But 1962 Sino-Indian war made Australian decision-makers to rush to India with assistance, though in a moderate way, against the Communist China. The intervening period was a period of low profile in Indo-Australian relations. With Whitlam's coming to power in late 1972, thing began to change for better to produce the substance of a relationship.

101 AFAR, November 1984, p.1175.AFAR, November 1984, p.1175.

Since 1962, India's quest for the achievement of a big-power status has been continuous. Sometimes Indian policies on various issues lack rationale and clarity. For instance, despite strong, vehement opposition to American naval and aerial build up in the Indian Ocean, ships of the US Seventh fleet made visits to Indian ports during 1984-85.¹⁰²

This gives birth to widely held fear that India's concern for keeping the big powers out of the Indian Ocean region has been motivated by her desire to assert its own military hegemony. Further, India's conspicuous silence over Soviet naval presence in the Indian ocean strengthens belief.

On the other hand, for Australia her relationship with the United States is of primary importance for her security. Then the sprawling near-North and south pacific is the area of importance for Australia. Though, of late, Jackson Committee Report has recommended for substantial emphasis in her relations with the Indian Ocean region. On the international scene quest for a role is also found in Australia. Here India is far excellent than Australia. This scenario, if divergent is prudently isolated, if identical is used for furthering the bases of relationship.

Despite the dilemma over Indian Ocean i.e. Australia's desire to improve relations with Indian Ocean littoral states and at the same time support for American plan to upgrade the Diego Garcia base,

102 Quoted in Kaushik, n.16, p.128.

Australia has been successful in developing relations with both.¹⁰³

But one is apt to accept the fact that more effort has been made on the Canberra side for the growth in the relationship than on the New Delhi side. Reasons may include New Delhi's military power, its scientific and technological development, its strong voice in international assemblies to attract Canberra more than Canberra's heavy dependence on US security arrangement, small population and economic compulsion in aid distribution could attract New Delhi.

103 Robert O'Neill, 'Australia and the Indian Ocean', In Patrick Wall (ed.), The Southern Ocean and the Free World (London 1977),p.185.

CHAPTER III

DEVELOPMENT OF INDIA-AUSTRALIA
ECONOMIC RELATIONS: AID, TRADE, ETC.

Chapter III

DEVELOPMENT OF INDIA-AUSTRALIA ECONOMIC RELATIONS: AID AND TRADE ETC.

The year 1973, a year of Whitlam's 4-day state visit to India was important as it paved the way for greater economic cooperation between the two countries. From the entire spectrum of Indo-Australian economic cooperation it becomes evident that atleast till mid-seventies, no serious attempts were made. This is not to suggest that till that period there was no such cooperation. Figures reveal that Colombo Plan and ESCAP membership by India were beneficial to her in terms of receipt of economic assistance from Australia. In most cases Australian assistance was in grant form in the shape of commodities. At the time of Chinese aggression against India, Australian government rushed to help India. In 1968, Prime Minister Mrs. Gandhi had paid a visit to Australia where need for greater cooperation was emphasised. Whitlam period in Indo-Australian relations prepared the ground for a trade agreement to be signed by two countries in August 1976 during Fraser's Prime Ministership. Australian Minister for Overseas Trade, Mr. Frank Crean had visited India in January 1975 preceded by the visit of Deputy Prime Minister and Treasurer, Dr. J.P. Crains.

Earlier, at their meeting the two Prime Minister had also emphasised the importance of greater collaboration in economic matters, particularly the desirability of securing greater diversification of economic relations and the possibility of joint ventures.¹ The Whitlam period was also a period of growing cooperation on international economic issues. The first oil crisis as the aftermath of 1973 Arab-Israeli war

1 Lok Sabha Debates, 2 August, 1973, Column 185.

adversely affected many developed and developing economies. It also greatly disturbed India's balance of payments. However, cartel diplomacy of OPEC countries resulted in the creation of great confidence among the Third World nations whose consolidated effort resulted in the UN General Assembly endorsement of New International Economic Order. It called for greater share in decision-making for Third World countries in international economic bargaining. Australia also supported this proposal. Apart from economic interest Whitlam's world view and his strong moralistic ethos alongwith his desire for 'independent stance' and Asian reorientation in foreign policy also contributed to this. This can be substantiated by the fact that his government announced twenty five percent across the board cuts in tariff and enlargement of the scope of existing system of tariff preferences for developing countries.

Most part of the 1970s reflected similarity of views in the economic diplomacy of both New Delhi and Canberra particularly in terms of demand for NIEO. On the part of New Delhi it was but natural to champion the cause of the poor owing to its historical legacy and pursuit of non-alignment. Canberra's move to support third world causes was a welcome move for New Delhi. At the special session of the United Nations General Assembly, Australian Secretary in the Department of Foreign Affairs, Mr. Alan Renouf, echoed his government's sentiment when he said "it will be unconscionable to allow developing countries to sink beneath the weight of unbearable new burdens and a diminishing prospect for growth."²

2 Australian Foreign Affairs Record(Canberra), henceforth AFAR, April 1974, p.251.

In subsequent UN General Assembly meetings, both Australian Prime Minister and Foreign Minister had supported for a just and equitable world economic system which would bring cooperation, rather than conflict and competition. One of many reasons behind Australian support to NIEO was without any doubt her economic interest with developing countries. Australian economy is considerably based on the export of primary commodities and raw materials. Hence a new set-up giving more voice to developing countries would naturally be of enormous importance for Australia.

From Indian point of view the Bretton Woods system was heavily biased in favour of developed industrialised West. A new order was the need of the hour. At various multi-lateral assemblies India had emphasised the need for overhauling the international economic system. Speaking at special session of UN General Assembly in 1975, India's Foreign Minister Shri Y.B. Chawan argued that :

- (a) in a world of interdependence the growth or decline of one nation or group of nations could have immediate and direct consequences for the fate of other nations or group of nations;
- (b) that interdependence should invariably mean collective responsibility, for only then could inequality and injustice be removed;
- (c) that decision making on the pattern of necessary change should be shared equally by all countries; and
- (d) that national and global endeavours for development must be based on a recognition of sectoral independence.³

3 Foreign Affairs Record (New Delhi), henceforth FAR, September, 1975, p.227.

A closer look at Fraser's economic diplomacy also revealed strong support over third world causes. The committee enquiring into Australia's relations with Third World had acknowledged the importance of NIEO for Third World countries and the enormous benefit which Australia could accrue from supporting this cause.

Fraser government's initial response was very mild. Speaking in the Indonesian Parliament on 9th October, 1976, Fraser advanced the notion of difference between the international economic system and national policies. In his view the problem really was with the national policies rather than with the system. Hence he argued for a change in national policies. But in the same speech, to assuage the ASEAN and other countries of the Third World he expressed his government's support for "change in economic policies affecting the international economic system."⁴

Being a country exporting primary commodities and earning about 70 percent over those exports Australia's interest on a number of economic issues are close to those of the developing countries. With many developing countries Australia has an interest in greater stability in commodity trade, in greater access for agricultural exports to developed market economies and greater opportunities for the processing of raw material in the producing country.

A little difference can be found in the attitudes of New Delhi and Canberra. Australia while supporting the North/South dialogue has some reservations as it is against the change of the entire system. India

4 AFAR, October 1976, p.536.

is much vocal in championing the cause of Third World through various international agencies. However, among the developed countries Australian support for commodities, access to markets of developed countries, industrialization, transfer of technology, food and agriculture, problems of the poorest countries, problems of debt, aid and other financial transfers and institutional arrangements are commendable. Australia played a leading part among the OECD countries in supporting the common fund proposal and in contributing to make it a practicable and workable arrangement.⁵

At various international forums, India consistently sought a redress in the situation, a total overhaul of world economic system, particularly in the field of aid, trade and finance. Speaking at 5th Non-aligned Summit at Colombo in 1976 Mrs. Gandhi said:-

Patch work remedies are no substitute for genuine reform. We need a global perspective plan which will relate resources to human needs and provide a system of early warnings of imbalances and disasters. Improved terms of trade and credit, easier access to markets and better value for raw materials and industrial goods are all essential to secure greater equity in the distribution of benefits.⁶

India, however, also realised that a confrontationist attitude between developing and developed countries would lead nowhere. Thus, it emphasised for greater cooperation among developing nations themselves for greater self-reliance and solidarity between them for dialogue with the developed countries to be meaningful.

5 Ibit., February 1979, p.68.

6 FAR, August 1976, p.241.

Throughout the period, India had consistently championed the cause of developing countries. Mrs. Gandhi argued during her address to United Nations General Assembly in New York on 28 September, 1983:

To help developing countries is not mere largesse. It will directly benefit the industrialised (world) because development in Asia, , Africa and Latin America and enlargement of their incomes by removing obstacles to their exports will absorb industrial goods and machinery from advanced countries, stimulate economic activity and ease their unemployment problem. What better investment can the North make in its own future that by turning today's deprived of the South into tomorrow's consumers? 7

In bilateral economic relations, Australia has significantly helped India in various projects, particularly in agricultural field. In India's modernization, the external component of economic assistance has never been rejected by any of its decision makers. India has quite successfully maintained good economic relations with all the principal actors and their allies in the contemporary international system.

With regard to foreign aid, India's attitude has been that it would welcome it, provided no 'strings' were attached to it. As early as 8th March, 1948, Prime Minister, Jawaharlal Nehru, told the constituent Assembly:

We want the help of other countries, we are going to have it too in a large measure.⁸

Mrs. Gandhi also reiterated her government's determination against accepting foreign aid with strings and said: "no country should ever think of using aid to make India change its fundamental policies. If

7 Quoted in Satish Kumar (ed.) 'Year Book on India's Foreign Policy, 1983-84' (New Delhi, 1986), p.45.

8 Jawaharlal Nehru, India's Foreign Policy, Selected Speeches, September 1946-April 1961 (New Delhi, 1961), p.35.

any country has such ideas, it is wrong notion"⁹

In Australian aid strategy¹⁰, motivation of political benefits, however, cannot be fully discarded. But to a greater extent Australian assistance was aimed at to contribute to the welfare of the people in developing countries by using it to promote self sustaining economic and social development. Australian Foreign Minister, Senator D.R. Willessee, reiterated his government's aid strategy when he said 'because we want our aid to have maximum impact we wish to avoid attaching condition to it which would reduce its value.'¹¹

In granting of aid particularly to the neighbouring countries, the security dimension had played greater role. This fact was accepted by liberal Foreign Minister in that "Australia has a vital interest in assisting in the solution of these (population and regional development) problems. If they are not solved, there could be instability in areas of great strategic importance of us".¹²

Australian Aid to India:

The history of Australian development assistance to India began as early as 1951 under the auspices of Colombo Plan and the same

9 The Hindu (Madras), 15 February 1972. And it is true that aid has played no significant role in formulation of India's foreign policy though it has made some modifications in certain circumstances.

10 See Jackson, Gordon, "Australia's Foreign Aid", World Review vol.23 no.1, April 1984, pp.60-72, and also Philip Eldridge, et.al. Australian Overseas Aid (Sunny Hills, 1986).

11 AFAR, May 1975, p.238.

12 AFAR, August 1978, p.402.

has exclusively been in grant forms. The programme was extensive in the 1950s and 1960s but during the 1970s it was subject to large fluctuations depending on the quantum of food-aid included in the programme. In response to food shortages in India, Australia made large gift shipments of food in 1965-67. Following the series of successful harvests from 1967 to 1971, India announced termination of foodgrains imports on concessional basis from January 1972. But due to increased cost of fuel and fertilisers and electricity shortages etc., Australia was further approached to provide food-aid during the period 1974-77. The value of wheat supplied during 1975-77 approximately amounted to A\$ 13.50 million.¹³

Since 1977, following excellent harvests, India has not requested food aid from Australia. In the early years assistance was provided in the form of commodities (wheat, flour, fertilisers, copper, milk powder and wool) and equipment (rail cars, rail wagons, trucks and radio equipments). Since the late 1960s, Australia concentrated its aid in the agricultural and associated fields through bilateral projects and training programmes.

The value of Australia's bilateral development assistance to India from 1951 to June 1987, including food aid, project aid and training aid, was about A\$ 133 million. Owing to Australian Government budgetary constraints, no new bilateral grant aid projects have been initiated since 1985-86 financial year. However, Australia continues to make significant

13 The Times of India Directory & Yearbook (New Delhi, 1983),p.275.

contributions to India's development programmes through the World Bank, the Asian Development Bank and the International Development Association (IDA). Australia's share of IDA's disbursements in India in the 1986-87 financial year (ending 30 June) was about A\$ 13 million.¹⁴

The amounts of Australian aid given to India, recorded in Australian official documents, are compiled in Table 1. A minor difference can be found between Australian and Indian version of aid amount disbursed. This can be attributed to the difference in the financial years of the two countries and some technical problems in adjusting cost of training.

Table 1 shows that while total official development assistance has increased consistently, the share of India has decreased with fluctuating rate showing only a significant percentage of share during 1974-77 when substantial food aid was made. Out of A\$ 1104,194,000 as total ODA during 1974-77, India's cumulative share was A\$ 26,723,000 representing 2.42 percent.

From Table 2 it is evident that the same period (i.e. 1974-77) witnessed a significant share of Australian grant in comparison to other world grant donors. However, in 1980-81 period, once again Australian amount of aid represented significant share because in that year over all external grant assistance authorization was the lowest (75.70 crore only).

During 1950s and mid 1960s India ranked second in Australian aid strategy after Papua New Guinea. But since India had built a steady

14 'Australia and its Links with India' (New Delhi, Australian High Commission, 1987), p.14.

economic and technological base, the share of India started declining in comparison to other Australian aid recipients.

While Papua New Guinea remained the highest recipient which had been the destination of more than 50 percent of Australian bilateral assistance, Indonesia and other ASEAN countries were given higher priority after Papua New Guinea. Even in South Asian region India remained behind Bangla Desh, Burma (Canberra has put Burma in South Asia), Sri Lanka and Pakistan.

The reduction in amount of Australian assistance to India was mainly due to India's better economic progress, not due to reluctance on the part of Canberra. However, in 1984, the Jackson Committee report had recommended assigning high profile to Indian Ocean littorals with greater share to India. The amount allocated to India during 1984-85 shows sixty-seven percent increase from that of the previous year. But in 1985-86 there was no bilateral assistance given to India.

Between 1973 to 1986, Australian assistance to India was approximately A\$ 49.0 million. The aid received comprised:

- i) Emergency food aid in the form of supply of wheat, wheat flour and skimmed milk powder;
- ii) Development aid towards milk scheme project, railway development, irrigation and power projects, establishment of bakeries, supply of wool, cattle farms, sheep breeding farms, soil micro-nutrient project for analysis of mineral, plant and soil samples; and
- iii) Technical assistance consisting of fellowship and experts/advisers.

Technical Assistance

Australia has extended assistance for the following projects:

- (a) Sheep Breeding farm at Hissar, through supply of sheep, equipment and services of experts;
- (b) Development of Government live-stock and cattle farm and establishment of deep frozen semen centres through supplies of cows, bulls, equipments and machinery and services of Australian experts and training in Australia of India personnel.
- (c) Supply of automatic bakery equipment to units of modern bakeries at Ahmedabad, Bombay, Calcutta , Cochin, Delhi, Madras, Ranchi and Chandigarh.

In training and expert assistance, Australia is a good donor. Till 1974-75 Australia had provided training fellowships to 1444 Indians. On an average 60 students receive training every year in fields ranging from agriculture and animal husbandry to public administration, development economics and mining. For the same period India had also availed of 107 Australian experts. By 1982-83 number of experts and fellowships reached cumulatively to 172 and 1922 respectively.

In comparison to South-east Asian countries, this number is very small, as during the period 1970-76, only Thailand had received 527 Australian experts.¹⁵

However, this not so significant adventure provided both the countries to avail first hand knowledge of each other and further the bilateral relationship.

15 Khien Theeravit, Australian-Thai Relations - A Thai Perspective, Institute of Southeast Asian Studies, Singapore, 1979, p.13.

As explained earlier, Food Aid was having larger share in total Australian assistance to India. Table 5 will show the break-up account of entire aid received so far.

In Project Aid sector, Australia had consistently and silently helped Indian development plans in agricultural and agriculture related fields. Projects completed and those which are on going are given in table 6.

Besides this, during 1978-79 Australia also provided a development imports grant of A\$ 1.6 million for the import of developmental goods and services. It is important to note that Australian assistance to India has been mainly in the field of agriculture, food production, rural development, wool industry and dairy development. Flow of aid suggests that the nature of political relations had not played any role in its determination. Due to small and silent nature of Australian aid, consciousness in Indian mind regarding Australia has been low. The number of Australian experts available to India was small. The role of Foreign experts in developing countries has always been a controversial issue. But since Australia is a middle level nation in terms of political power, having a small population and without stink of an imperialist record, it has not been a target for suspicion.

Trade

The Indo-Australian trade till the middle of the sixties witnessed declining trends falling from the annual average turn over of Rs.441.8 million during the First-Plan to Rs.378.4 million during the second Plan. Both imports and exports showed the decrease. During the two plans,

although trade balance fell considerably India had still a sizeable balance in her favour. During the Third Plan (1961-66) the exports experienced fluctuating trends where the imports remained by and large stationary. Trade had increased from Rs.596 million in 1972-73 to Rs.4199 million in 1982-83 and Rs.5783 million in 1986-87. Thus in one and a half decade the volume of two way trade between these two countries had risen around ten times registering an increase of Rs.5187 million with 870. percent.

Trade between the two countries is governed through a trade agreement signed in 1976. Each year the Joint Trade Committee, established as per this agreement, meets alternatively in Canberra and New Delhi to discuss trade and associated matters. When Australian Minister for Overseas Trade visited India in January 1975, the difficulties in Indian exports to Australia of textiles fabrics and garments, handicrafts and footwear were discussed.¹⁶ India had time and again liberalised its import policies which was also welcomed by Australian authorities. It is irony that Whitlam government had made twenty five percent across the board tariff cuts in July 1973 but in 1974 it imposed global import quotas in respect of a number of products. The adverse effect inflicted on India was around twenty percent as India's export to Australia fell from Rs. 614 million in 1974-75 to Rs.482 million in 1975-76. At the said meeting, India also welcomed the initiative taken by the government of Australia in widening the scope of their scheme of tariff preferences for goods originating from developing countries. While there are wide areas of progress and development between the two countries, no

16 Lok Sabha Debates, 27 February, 1975, Columns 179-81.

substances of a relationship can be deduced. As early as in 1976 a survey conducted by the Trade Development Authority of India in Australia and New Zealand had identified a large market of a range of Indian Scientific and measuring instruments. In 1980 in the month of January, Australian Minister for Industry and Commerce, Mr. Philip Lynch, visited India. During talks with his Indian counterpart he disclosed that Australian firms were keen to invest abroad and possibilities of investment in India could be explored. Possibilities of Indo-Australian joint ventures in Third countries were also discussed. Mr. P.K.Mukherjee expressed India's dissatisfaction over curtailments of India's exports to Australia.¹⁷ Earlier in November 1977 an Australian mining equipment and services trade mission led by Mr. J.N.Beath, Marketing Manager of a leading Australian mining company came to India to investigate the prospects of mining equipment exports. The delegation was sponsored by the Australian Department of Overseas Trade.¹⁸ At the fourth annual trade talks held in New Delhi in November 1979, Australia agreed to liberalise the developmental country preferential scheme by either lowering duties or increasing quota in the case of 66 items. At this official level talk Australia also agreed to finance two market surveys to be conducted by India's Trade Development Authority in Australia.¹⁹ In this period of bilateral relationship Australia gave more importance to India, than India to Australia. Many Ministerial visits from Australia to India are a proof against this assumption. In June 1982, Minister for National Development and Energy, Senator JL Carick was the

17 Indian & Foreign Review (New Delhi), 15 February 1980, p.7.

18 FAR, November 1977, p.210.

19 Indian & Foreign Review, 1 December 1979, p.7.

important visitor to India. Matters of mutual interests pertaining to exploration and conservation of oil and gas resources were discussed.²⁰ As a followup of this meeting a Trade Development Council Survey Mission visited India from 22 August to 4 September. The mission's principal objective was to acquire a fuller understanding of India's agricultural, mining, manufacturing and commercial sectors and to identify specific opportunities to increase trade between the two countries. During talks with the members of Australian delegation, Indian Commerce Minister urged to Australian industrialists to consider investment in India, especially in export oriented projects for which higher foreign equity could be allowed.

The delegation leader, Mr. J.B.Gough told in Bombay that India today was what Japan was 25 years ago. A number of goods like textiles, automobiles and sports articles, like wooden tennis, rockets and hockey sticks, would be exported to Australia. Australia was a highly competitive and fashion concious market.²¹

For exploring greater prospects of trade between the two countries, Minister for Trade, Mr. John Dawkins visited India in late October 1985. In his talks he suggested that both sides bypass the usual exchanges on petty trade irritants and seek to explore the broader issue of exploiting the overall trade potential. India agreed to over his proposals for the establishment of a working group on 'mining , mineral processing, heavy engineering.'²² Before the Minister's visit a mining equipment

20 Ibid., 15 August, 1982, p.29.

21 Indo-Australian Trade: Exploring New Areas, Commerce(Bombay), 143(3665), September 12, 1981, p.477.

survey mission visited India between 8-23 February. The Mission visited Indian coal and zinc mines and oil and natural gas extractions and refinery plants. The main purpose of the visit was stated to develop an awareness among Indian mineral producers of the range of Australian mining equipment and expertise available. This was second visit of its kind, first being in 1977. These two visits resulted in the visit to Australia by Indian Minister for Steel & Mines, Mr. K.C. Pant in July 1986. Finally in this period at the time of Rajiv Gandhi's visit in mid-October 1986, efforts to strengthen bilateral relationship through economic cooperation were made.

Trade statistics reveal that India has always seen deficit in her trade with Australia barring years 1973-74 and 1977-78 (See table 7). In 1973-74, India exported goods to Australia worth Rs.50.8 crores whereas amount of import was Rs.43.8 crores having Rs.7 crores balance of trade in favour. In 1977-78, this balance in favour was Rs.10.1 crores. India's exports to Australia progressed in a fluctuating way whereas Australian exports to India have consistently increased. From Rs.33.6 crores in 1972-73 it reached to Rs.431.0 crores in 1986-87 registering an increase of Rs.397.4 crores with around twelve hundred percent increase. Whereas Indian exports to Australia registered ~~only~~ Rs.121.3 crore increase from Rs.26.0 crores to Rs.147.3 crores in this period respectively about four hundred fifty percent increase. Thus, in the said period India had developed a rising trade deficit with Australia which increase from Rs.7.6 crores in 1972-73 to Rs.297.1 crores in 1985-86 and Rs.283.7 crores in 1986-87.

This adverse balance of trade has always been a matter of concern for India. So one finds at every occasion, India has raised the question of balanced growth of trade. Prime Minister, Shri Rajiv Gandhi himself expressed India's concern during his State visit to Australia when he said, 'Australian market is still largely a closed book to us.'²³

India's imports from Australia are confined to a few items. Lead, raw wool and zinc make the major items of imports. In individual capacity, 85 percent and 83 percent of total lead imports were from Australia during the years 1981-82 and 1982-83 respectively.²⁴ Likewise imports of zinc ores and concentrates from Australia accounted for 100 percent and 77 percent of total imports in the said commodity in the years 1981-82 and 1982-83 respectively.²⁵ Import of zinc was eight percent and fifteen percent of total imports in the said period respectively.²⁶ In coal also Australia was the leading supplier fulfilling 52, 67 and 92 percents of our total coal imports in 1980-81, 1981-82 and 1982-83 respectively. These three leading items constitute around 50 percent of India's total imports from Australia. Other imports of significance include iron and steel, machinery other than electric, transport equipment, chemical elements and compound and animal oil and fats. Non-ferrous metals and alloys have also shown a headway because of growing demands of Indian industry.

The composition of India's exports to Australia has considerably changed over the past few years. Presently leather and leather manufacturers, Jute manufacturers and cotton fabrics, clothing and tea

23 FAR, October 1986, p.309.

24 Indian Minerals Year book, 1982(Indian Bureau of Mines, Nagpur), 1985, p.662

25 Ibid, p.664

26 Ibid. p.665.

dominate the export schedule for the country. However, here India had to face stiff competition from China, Hong Kong, Pakistan, Sri Lanka, Japan etc. For example in percentage terms the total export of tea has declined. Engineering products, textile fibres, cashew nuts, spices, carpets, sports goods are also main items of export.

With increasing exports of engineering goods, India has succeeded, to some extent in diversifying its exports to Australia. The rapidly developing manufacturing industry in India and the continuing high tempo of the manufacturing industry in Australia could provide a firm basis for expanding exports of new items to Australia.

Significant changes have taken place in the direction of Australia's trading partners. The importance of UK in Australian export trade has declined considerably since UK joined European Community.²⁷ Japan and the USA have emerged its important trading partners. Japan alone accounts nearly 30 percent of Australian exports and 25 percent of imports. Other partners of significance are New Zealand, China, West Germany, Singapore, Malaysia, Hong Kong, France, Italy, Canada. India occupies an insignificant position in trade with Australia. Similarly, India's major trading partners are USA (17 percent exports and 10 percent of imports) USSR (15 percent of exports and 9 percent of imports), Japan (10 percent of exports and imports), United Kingdom (5.2 percent and 6.8 percent of exports imports), Federal Republic of Germany (5 percent of exports and 8 percent of imports).²⁸ OPEC and EEC (exclud-

27 See Alan Burnet, Australia and the European Communities in the 1980's (ANU Press, Canberra), 1984.

28 Export and Import percentages, represent average of four years viz. 1983-84 to 1986-87. For details see 'Economic Survey 1986-87 to 1987-88, Ministry of Finance, Government of India, pp.91-97 and 85-92.

ing UK & FRG) present 7.6 percent and 8.6 percent of exports and 16.5 percent and 12.4 percent of imports respectively. Thus, despite enormous opportunities and complementarities of the two economies, the level of India-Australia trade has been very low. Table 8 presents this picture.

It is clear from the above table that percentage share of imports has been ranging from 1.0 percent to 4.9 percent. In 1976-77 this was the highest recording 4.9 percent whereas in 1983-84 it was the lowest with 1.0 percent. In respect of the period imports have seen fluctuating trend going up and down in percentage terms. On export front, the range has been from 1.0 to 2.0 percent. In 1973-74, it was 2.0 percent being highest with the lowest 1.0 percent in 1983-84. The year 1983-84 also registered same percentages of share in imports and exports.

Despite high potential, the level of Indo-Australian economic cooperation has been very low. Out of more than 7000 collaboration agreements with foreign countries approved by Government of India during the period 1957 to 1985, Australia accounts for only 45. Similarly, by December 1985, though there were 156 joint ventures fully operating with equal Indian share and technology in 40 different nations of Asia, Africa, West Europe and North America, there has been only one joint venture in Australia.²⁹ Both the countries have, thus, not extracted the full benefit which they ought to have. In spite of various exchanges of trade and industry delegation and desire of investment, no investment has so far been made by them in either country.

However, in agricultural, mining and energy fields both countries could be benefitted through close cooperation. A right decision in this

direction has been taken at the time of Rajiv Gandhi's visit to Australia, where several new areas were identified for developing India-Australia trade and economic relations. At these talks, the two governments also set up a joint business council constituting Associated Chambers of Commerce and Industry of India and the Confederation of the Australian Industry, to look into the adverse trade balance against India and promoting new joint ventures.³⁰ A joint working group in the field of coal was asked to meet quickly and informally submit results to the two Prime Ministers. A new Science and Technology Agreement was signed revoking the earlier one of 1975. A key objective of the new agreement was to 'inculcate a new programme of cooperation based on mutual benefit', so that collaborative research programmes could be taken into account the commercial application of research results.³¹ During discussions with his Australian counterpart a decision was also taken in principle to avoid double taxation.³²

It can be concluded that the two governments have made efforts though of late to step up bilateral economic relations. Immense opportunities, if rightly handled, would bring enormous benefit to both the countries. Basic dilemma is found in Australian foreign economic policy as it has continually argued against the potential policies of the major industrial countries and joins with developing countries in the region in expressing concern over rising protection in major industrial countries. But at the same time it is not prepared to treat the developing countries as it demands to be treated by industrialised West.

30 AFAR, October 1986, p.972.

31 Indian Express, 10 October, 1986.

However, like many issues this protectionism has also been isolated in the development of sound relationship.

TABLE 1

AUSTRALIAN DEVELOPMENT ASSISTANCE TO INDIA, 1973-1986

(A\$ '000)

Year ending 30th June	Total Official Development Assistance	India's Share	
		Amount	Percentage
1973-74	260,757	1,358	0.52
1974-75	376,000	10,732	2.85
1975-76	349,897	8,692	2.48
1976-77	378,294	7,299	1.92
1977-78	418,500	2,388	0.57
1979-80	485,300	3,850	0.85
1980-81	547,000	3,102	0.57
1981-82	651,900	1,799	0.28
1982-83	744,620	2,079	0.28
1983-84	833,403	2,048	0.25
1984-85	1011,403	3,429	0.34
1985-86	995,500	-	-
1986-87	960,500	13,000 +	1.35

Source: Australian Foreign Affairs Record, Various issues and Australia and its Links with India Australian High Commission, New Delhi, 1987.

+ not as a bilateral grant but under IDA.

TABLE 2

PERCENTAGE SHARE OF AUSTRALIAN AID IN WORLD
GRANT ASSISTANCE TO INDIA, 1974-85

(Rs. in crores)+

Years	Overall External Grant Assistance	Australia's share	
		Amount	Percentage
1974-75	189.8	9.0	4.8
1975-76	440.7	7.3	1.7
1976-77	386.1	6.1	1.8
1977-78	337.6	2.0	0.6
1978-79	441.1	3.2	0.7
1979-80	564.4	2.0	0.4
1980-81	75.7	2.6	3.4
1981-82	207.4	1.5	0.7
1982-83	423.3	1.8	0.4
1983-84	386.9	1.7	0.4
1984-85	470.7	2.9	0.6

Source: For overall External Grant Assistance, Economic Survey 1986-87, Ministry of Finance, Government of India, 1987, p. S-70, Table 7.1

+ Australian Dollar has been converted into Rupees at the rate of
A\$1= Rs.8.40

TABLE 3

AUSTRALIAN BILATERAL AID TO SOUTH
ASIAN COUNTRIES, 1982-1985

(A \$ '000)

Country	1982-83	1983-84	1984-85
Total Bilateral Official Development Assistance	546868	602258	758558
South Asia	53471	43316	47053
Bangla Desh	21501	21200	19509
Burma	12633	10747	9384
Sri Lanka	8882	5663	6937
Pakistan	6199	756	5450
India	2079	2048	3429
Nepal	1509	2545	2128
Bhutan	668	334	187

Source: Commonwealth Government of Australia, Department of Foreign Affairs, 'Annual Report: 1984-85, (Canberra, 1984), P.131.

TABLE 4

EXPERTS AND FELLOWSHIPS PROVIDED BY AUSTRALIA

Year	Experts	Fellowships
1951-74	107	1444
1975-76	4	62
1976-77	4	63
1977-78	3	55
1978-79	11	59
1979-80	14	56
1980-81	5	52
1981-82	17	64
1982-83	7	67

Source: External Assistance Years 1974-75 to 1983-84.
Government of India, Ministry of Finance (Department
of Economic Affairs)

TABLE 5GRANTS AUTHORISED AND UTILISED UNDER VARIOUS
HEADS AS ON 31st MARCH 1984

(A \$ million)

Sl. No.	Details of Grants	Amount authorised Net upto 31.3.84	Amount utilised during 1983-84	Cumulative amount of utilisation upto 31.3.84
1	2	3	4	5
1.	Emergency Food Aid- International Food Assistance A.\$ 68.10M	68.10	-	68.10
2.	Wheat Grant Under Colombo Plan A\$ 8.56M	8.56	-	8.56
3.	Import of Big Lead Agreement Dated 23.2.79 A \$ 1.59 M	1.59	-	1.59
4.	Supply of Two drilling Rigs during 1980-81 A \$ 0.70M	0.70	-	0.70
5.	Others A \$ 52.01M	52.01	2.20	52.01
	Total	130.96	2.20	130.96

Source: External Assistance 1983-84, Government of India, Ministry of Finance, Department of Economic Affairs, p. 183.

TABLE 6

DETAILS OF THE PROJECTS COMPLETED AND ONGOING

(A \$ Million)

Sl. No.	Name of the Project	Period	Amount
1.	Bakeries Project	1966-76	2.70
2.	Dairy Cattle Project	1966-73	0.88
3.	Centrally Sponsored Exotic Cattle Breeding Farms	1976-80	0.44
4.	Provision of shearing machinery and spares	1978-79	0.15
5.	Indo-Australian cattle breeding Project, Barapetta (Assam)	1974-80	1.30
6.	Indo-Australian Apple grading Storage Project Sopore (J&K)	1978-82	0.90
7.	Indo-Australian cattle Breeding Project, Hissar (Haryana)	1974-83	3.90
8.	Provision of Water Drilling Rigs and spares	1980-82	0.85
9.	Major ongoing Projects:		
	i) Indo-Australian Fodder Seed Farm Project		
	ii) Indo-Australian Apple Technology Extension Project		
	iii) Indo-Australian Abattoir Project, Andual maurigram (West Bengal), and		
	iv) Establishment of Post-Entry Plant Quarantine station in Faridabad (Haryana).		

Source: External Assistance, 1983-84, p.2-3.

TABLE 7

INDIA'S TRADE WITH AUSTRALIA

(Rs. in Crores)

Year	Exports	Imports	Balance of Trade
1972-73	26.0	33.6	(-) 7.6
1973-74	50.8	43.8	(+) 7.0
1974-75	61.4	114.8	(-) 53.4
1975-76	48.2	101.7	(-) 53.5
1976-77	66.0	249.3	(-)183.3
1977-78	83.2	72.5	(+) 10.1
1978-79	88.5	92.0	(-) 3.5
1979-80	62.8	102.0	(-) 40.8
1980-81	91.6	170.1	(-) 78.5
1981-82	112.3	260.6	(-)148.3
1982-83	93.9	326.0	(-)232.1
1983-84	94.8	154.0	(-) 59.2
1984-85	138.0	200.6	(-) 62.6
1985-86 PR	125.0	422.1	(-)297.1
1986-87 PR	147.3	431.0	(-)283.7

PR = Partially Revised

Source: DGEI & S, Calcutta.

TABLE 8

INDIA'S TRADE WITH AUSTRALIA
PERCENTAGE OF IMPORTS & EXPORTS

(Rs.in Crores)

Year	Total Imports	Imports from Australia	As percentage of Imports	Total Exports	Exports to Australia	As a percentage of Exports
1	2	3	4	5	6	7
1972-73	1867.0	33.6	1.8	1971.0	26.0	1.3
1973-74	2955.0	43.8	1.5	2523.0	50.8	2.0
1974-75	4520.0	114.8	2.5	3331.0	61.4	1.8
1975-76	5267.0	101.8	1.9	4036.0	48.2	1.2
1976-77	5074.0	249.3	4.9	5146.0	66.0	1.3
1977-78	6025.0	72.5	1.2	5404.0	82.6	1.5
1978-79	6814.0	92.0	1.4	5726.0	88.5	1.5
1979-80	8908.0	162.0	1.8	6459.0	102.0	1.6
1980-81	12549.0	170.1	1.3	6711.0	91.6	1.4
1981-82	13608.0	260.6	1.9	7806.0	112.3	1.4
1982-83	14293.0	326.0	2.3	8803.0	93.9	1.1
1983-84	15832.0	154.0	1.2	9771.0	94.8	1.0
1984-85	17134.0	200.6	1.2	11744.0	138.0	1.2
1985-86 (PR)	19658.0	422.1	2.1	10895.0	125.0	1.1
1986-87 (PR)	20084.0	431.0	2.1	12567.0	147.3	1.2

PR: Partially Revised

Source: Government of India, Ministry of Finance, Economic Survey
(New Delhi) of the years from 1972-73 onwards.

CHAPTER IV

CONCLUSIONS

Chapter IV

CONCLUSIONS

Relations between nations are dictated through various internal and external factors on the chess-board of international politics. The national interest, public opinion, geographical location, ethnicity, political values, legacies of the past and military and economic prowess make the internal factors whereas the nature of relationship with allies and enemies and the pattern of world politics make the external factors. Within these two parameters the relations between states can be analysed.

In this framework relations between India and Australia were dictated by the emerging pattern of bipolar cold war politics where Indians looked at Australia as a staunch anti-communist ally of the United States which was a potential embarrassment to their policy of non-alignment, and the Australians subscribed to the view of John Foster Dulles, the architect of western alliance politics in Asia, who condemned non-alignment as immoral.

However, the early seventies had witnessed a major transformation in the world political system. The rigid

bipolarity of two and a half decades following World War II, where international power was dominated by the United States and the Soviet Union, had given way to a less rigid, but also less stable order. In this new system the polar powers still dominated but only in the final analysis.

Since India and Australia are two great democracies bordering on Indian Ocean, both members of the Commonwealth, both deeply dedicated to world peace, both with federal polity, both holding great institutions in common but were unable to materialise substantial relationship. The central idea of Australian Foreign policy had been that of loyalty and dependence to and upon a protector. First, this was directed towards Britain and then towards America after the fall of Singapore and the ANZUS security pact in 1951. In 1972 elections to the House of Representatives, the Labour Party emerged victorious under the leadership of Gough Whitlam and formed government. As he was an outspoken critic of US-Vietnam policy, he moved quickly to withdraw Australian forces from Vietnam, to remove military conscription and to establish diplomatic relations with People's Republic of China (PRC), East Germany and North Vietnam. He also liberalised the traditional restrictions on non-white immigration. The Labour Prime Minister paid a 4-day state visit to India in 1973

which was first by an Australian Prime Minister since 1959. By this time, India had already emerged as a regional power in the South-Asian region which fact was even accepted by US President, Richard Nixon. Thus, year 1973 was significant in that it paved the way for **harvesting good'** relations culminating into much independence to Australian foreign policy from undue dependence.

Between 1973 to 1986 India and Australia had to cope with internal changes with international implications. The Labour government facing constitutional crises in 1975 lost the elections and old Conservative Liberal-Country Party (LCP) coalition under the Prime Ministership of Malcolm Fraser formed the new government which redirected Australian foreign policy towards America but in a subtle way. In the first year of Fraser government India had a low-key profile in Australian foreign policy but since 1977 onwards Fraser government had to give importance to India.

On the other hand, in India the declaration of Emergency on account of internal security problems became a catalyst for the defeat of Congress government under Mrs. Gandhi. The victorious Janata government tried to keep equidistance from the two Super Powers by genuine non-alignment. In the Janata period relations between India

and Australia saw better days. In various Commonwealth and Asia-Pacific meetings the two heads of government met each other. After the disintegration of Janata government Mrs. Gandhi once more became Prime Minister by winning majority of seats in 1980 Lok Sabha elections. This change of government was static in terms of any change in the relationship. The Labour Party under Mr. Bob Hawke in Australia formed government in March 1983 after seven years in opposition. The charismatic personality of Labour Prime Minister played an important role in adopting measures to bring down apartheid in South Africa.

In short, the relations between these two countries have been friendly and cordial. On various international issues India and Australia hold identical views, such as apartheid in South Africa, New International Economic Order (NIEO), the Indian Ocean as a Zone of Peace. But on issues like Afghanistan, Kampuchea and Nuclear Non-Proliferation etc. there are differences of opinion between them. However, these differences do not come in the way of normal friendly ties.

During this period, there have been increase in the bilateral trade and technical and economic collaboration. In various economic and developmental fields, Australia has come to the fore for India's assistance vis-a-vis the aid to many poor countries. India has got a substantial amount of aid from Colombo Plan and ESCAP in which Australia is a major donor.

Australia rightly tried to include the vast landmass of Asia in her foreign policy objectives. The growing trade and political relations with Japan, China and countries of Southeast Asia substantiate this fact. The place of India in the Third World, Indian stand on world issues, the attraction of a democratic state system in post-colonial world where most of the new independent nations of Asia, Africa and Latin America somehow or the other plagued with authoritarian undemocratic regimes, the military strength, manpower and skill of India etc., made Australia to reconsider her relations with India and that is why she abandoned the earlier policy striking a delicate balance in her relationship with India and Pakistan.

It is very much evident that neither country places highest priority in the relationship with the other. Australia would tend to maintain her close relations with the West, particularly with the United States of America. The emerging bipartisanship in Hawke's foreign policy speaks this. On the other hand, India would try to consolidate her relationship with Soviet Union, a trusted friend in her hours of troubles. The region of Southeast Asia bring the two countries in consultation and cooperation. Reasons are clearly different for both. India tend to see Chinese influence in this region reduced. Hence its active diplomacy in Indo-China affairs. Australian diplomacy in this region is a

direct reaction to Soviet moves. Australia wants to keep Soviet Union out of this region through her desire to bring back Vietnam in the mainstream of regional life.

Another characteristic has developed in the bilateral relationship of the two countries. Despite differences over some issues the two countries learned to isolate them and extend areas of agreement and cooperation. Kampuchea, Afghanistan, Indian Ocean and Nuclear Non-Proliferation Treaty are cases in point.

In the matters of international importance, the two governments seem to be united at least on rhetorical plain. Since these two governments have not enough resources to influence the course of event in the desired direction, this rhetorical and symbolic unity is sufficient to arrange the parading of Third World countries behind them.

On security perception there are clear differences. But so far these differences have not directly influenced them and there is remote possibility of any friction in the relationship. In her relation with many Commonwealth countries, India has been careful on account of overseas Indians settled long back there. The recent example is that of Fiji. Of late, India had to seek redress of domestic policies harming the interest of ethnic Indians in African colonies, Canada, United Kingdom etc. Furthermore, with India's growing problem of terrorism with separatist

tendencies particularly in Punjab and its links with those groups of a particular community in Canada, UK and USA has brought some adverse notions in the relations with these countries. There is nothing to suggest that this adventure might tense the relationship because Australia has managed to direct her social welfare policies towards every constituent of its nationality. Australia's well managed handling of such possible problems throws farther such possibilities.

The Indian Community in Australia is not very sizeable. However, it has the potential to become a vehicle for consolidation and expansion of existing relationship. Further, it can be deduced that the relations between the two countries will remain cordial and friendly because neither sees any danger from either side for security. Recent moves to expand economic cooperation suggest that future prospects for healthy economic relations are very promising. Because of not very high priority status of each country in their foreign policy goals, serious public debate is lacking. The nature of relationship speaks that this may be the case at least in near future.

However, despite their limitations, the two countries have potential and necessary will to get desired changes in international system. Prospects of abolishing of apartheid through political and diplomatic coopération appear very high.

SELECT BIBLIOGRAPHY

SELECT BIBLIOGRAPHY

I. PRIMARY SOURCES

(A) GOVERNMENT DOCUMENTS/REPORTS

i) Australia

Annual Report, for the years 1976-77, 1983-84 and 1984-85 (Canberra, Department of Foreign Affairs).

Australian Foreign Affairs Record, for the years 1973-86 (Canberra, Department of Foreign Affairs).

The Parliament of the Commonwealth of Australia, Joint Committee on Foreign Affairs and Defence, The Anzus Alliance: Australia-United States Relations, Parliamentary Paper No.318/1982 (Canberra: Australian Government Publishing Service, 1982).

_____, Senate Standing Committee on Foreign Affairs and Defence, Australia and the Indian Ocean Region Parliamentary paper No.330/1976 (Canberra: Commonwealth Government Printer, 1976).

_____, Committee on Australia's Relations with the Third World, Australia and the Third World, Parliamentary Paper No. 269/1979 (Canberra: AGPS, 1979).

_____, Joint Committee on Foreign Affairs and Defence, The Middle East Parliamentary Paper No.82/1977 (Canberra: CGP, 1977).

_____, Committee on Namibia, Report on Namibia, Parliamentary Paper No.230/1982 (Canberra: AGPS, 1982).

_____, Committee on Disarmament, Report, Special Session on Disarmament Parliamentary Paper No.379/1982 (Canberra: AGPS, 1982).

ii) India

Annual Report, for the years 1981-82 to 1985-86, (New Delhi, Ministry of Commerce).

Basic Statistics Relating to the Indian Economy for the years 1980-85 (New Delhi, Ministry of Planning).

Economic Survey for the years 1980-81 to 1987-88 (New Delhi, Ministry of Finance).

External Assistance, for the years 1972-73 to 1983-84 (New Delhi, Ministry of Finance, Department of Economic Affairs).

Foreign Affairs Record, 1973-1986 (New Delhi, Ministry of External Affairs).

Indian Minerals Yearbook, 1976-77 to 1982-83 (Nagpur, Indian Bureau of Mines).

Reserve Bank of India, Report on Currency and Finance, 1975-76 to 1985-86, vol.I & 2, (New Delhi).

Selected Statistics of the Foreign Trade of India, 1979-80 to 1982-83 (Calcutta, DGCI & S).

(B) SPEECHES

Gandhi, Indira, Selected Speeches, January 1966-August 1969 vol. I. (New Delhi, Publications Division of Government of India, 1971).

The years of Endeavour, Selected Speeches, August 1969-August 1972, vol.II, (New Delhi; Publications Division, 1975).

Selected Speeches and Writings, 1972-75, vol.III, (New Delhi; Publications Division, 1984).

Gandhi, Rajiv, Selected Speeches and Writings, 1984-85, vol.I (New Delhi, Publications Division, 1987).

Nehru, Jawaharlal, India's Foreign Policy, Selected Speeches, September 1946 to April 1961 (New Delhi; Publications Division, 1961).

(C) PARLIAMENTARY DEBATES

Australia, Commonwealth Parliamentary Debates, 1973-86.

India, Lok Sabha, Debates, 1973-86.

II SECONDARY SOURCES

(A) BOOKS

Albinsky, Henry S., Australia's Search for Regional Security in Southeast Asia (Ann Arbor; 1959).

_____, Politics and Foreign Policy in Australia: The Impact of Vietnam and Conscription (North Carolina: Duke University Press, 1970).

_____, Australian External Policy under Labour: Content, Process and the National Debate (St. Lucia: University of Queensland Press, 1977).

Australian National University, Britain's Withdrawal from Asia (Canberra, 1967).

Australia and its Links with India (New Delhi: Australian High Commission 1987).

Bala Chandredu, Kancherla, India and the Commonwealth: the Janata Phase (M.Phil. Dissertation, School of International Studies, Jawaharlal Nehru University, New Delhi, 1981).

Ball, Desmond and Langtry, J.O., Civil Defence and Australia's Security in the Nuclear Age (Sydney: George Allen & Unwin, 1983).

Beddie, B.D., ed., Advance Australia Where? (Oxford: Oxford University Press, 1975).

Bell Coral, Dependent Ally: Australia's Relations with UK, USA Since the Fall of Singapore (Canberra: ANU Press, 1984).

Boyce, P.J. and Angel, G.R., eds., Independence and Alliance: Australia in World Affairs, 1976-80 (Sydney: George Allen & Unwin, 1983).

Burnett, Alan, Australia and the European Communities in the 1980s (Canberra: ANU Press, 1983).

Chakravotry, B., Australia's Military Alliances: A study in Foreign and Defence Policies (New Delhi: Sterling, 1977).

Chopra, Ashwini Kumar, India's Policy on Disarmament (New Delhi: ABC, 1984).

- Cohen, S.P. and Park, A.L., India: Emergent Power? (New York: Crame, Russak and Co., 1978).
- Crocker, Walter, Nhru: A Contemporary's Estimate (London: George Allen & Unwin, 1966).
- _____, Australian Ambassador: International Relations at First-Hand (Melbourne: Melbourne University Press, 1971).
- Darbari, Raj and Darbari, Jains, Commonwealth and Nehru (New Delhi: Vision Books, 1983).
- Denborough, Michael, ed., Australia and the Nuclear War (Groom Helm, Australia 1983).
- Dibb, Paul, ed., Australia's External Relations in the 1980's (Canberra: Groom Helm, 1983).
- Dutt, Subimal, With Nehru in the Foreign Office (Calcutta: Minerva, 1977).
- Frank, Moraes, Witness to an Era: India 1920 to the Present Day (London: Weidenfield & Nicholson, 1973).
- Gangal, S.C., India and the Commonwealth (Agra: Shival Aggarwal & Co., 1970).
- Gelber, H.G., Problems of Australian Defence (Melborne: Oxford Univ. Press, 1970).
- George, Timothy, et.al., India and the Great Powers (Gower, U.K. for the IISS, London, 1984).
- Giselher, Wersing, The Indian Experiment, Key to Asia's Future (New Delhi: Orient Longman, 1972).
- Grant, Bruce, Crisis of Loyalty: A Study of Australian Foreign Policy (Sydney: Augus and Robertson, 1972).
- _____, Gods and Politicians (Victoria: Allen Lane, 1982).
- Greenwood, Gordon and Harper, Norman, eds., Australia in World Affairs, 1950-55 (MELBOURne: F.W. Cheshire, 1957).

- _____, Australia in World Affairs, 1956-60 (Melbourne: F.W. Cheshire, 1963).
- _____, Australia in World Affairs, 1961-65 (Melbourne: F.W. Cheshire, 1968).
- _____, Australia in World Affairs, 1966-70 (Melbourne: F.W. Cheshire, 1974).
- Hudson, W.J., Australia and the Colonial Question At the United Nations (Sydney: Sydney University Press, 1970).
- _____, ed., Australia in World Affairs, 1971-75 (Canberra: AIIA, 1980).
- Iyer, Nandini, India and the Commonwealth (New Delhi: ABC, 1983).
- Jawatkar, K.S., Diego Garia in International Diplomacy (Bombay: Popular Prakashan, 1983).
- Kapur, Ashok, Indian Ocean: Regional and International Power Politics (New York: Praeger, 1983).
- Kaul, T.N., India, China and Indo-China (New Delhi: Lancers, 1987).
- Kaushik, Devendra, Perspectives on Security in Indian Ocean Region (New Delhi: Allied, 1987).
- Kelly, Paul, Hawke Ascendancy, A Definitive Account of its Origin and Climax, 1975-83 (London: Angus & Robertson, 1984).
- Khilnani, N.M., Realities of Indian Foreign Policy (New Delhi: ABC, 1984).
- King, Peter, ed., Australia's Vietnam (Sydney, George Allen & Unwin, 1983).
- Knight, John and Hudson, W.J., Parliament and Foreign Policy (Canberra: A.N.U. Press, 1983).

- d
- Lagerberg, Kees, West-Irin and Jakarta Imperialism (London: C. Hurst & Co., 1979).
- de Lepervanche, Marie M., Indians in a White Australia (Sydney: George Allen & Unwin, 1984).
- Levi, Werner, Australia's Outlook on Asia (SYDNEY: Angus & ROBERTson, 1958).
- Maddock, Rodney and McLean, Ian W., eds., The Australian Economy in the Long Run (Sydney: Cambridge University Press, 1987).
- Mansingh, Surjit and Heimsath, Charles H., A Diplomatic History of Modern India (New Delhi: Allied, 1971).
- Martin, David, Armed Neutrality for Australia (Blackburn: Dove Communications, 1984).
- Mediansky, F.A., Australia's Relations with India, 1947-64 (Ph.D. Thesis University of Sydney, Sydney, 1971).
- Mellore, J.W., India: A Rising Middle Power (Bolder, Colorado: Westview Press, 1979).
- Miller, J.D.B., India, Japan, Australia: The Partners in Asia (Canberra: ANU Press, 1968).
- Millar, T.B., Australia in Peace and War: External Relations, 1788-1988 (Canberra: ANU Press, 1978). 77
- _____, South African Dilemmas (Canberra: ANU Press, 1985).
- Misra, K.P. Non-aligned Movement: India's Chairmanship (New Delhi: Lancers, 1987).
- O'Brien, Philip G., The Making of Australia's Indo-China Policies under the Hawke Labour Government: The Politics of Circumspection (Natham: Griffith University, Centre for the Study of Australian-Asian Relations, 1986).
- O'Neill, Robert, ed., Insecurity, the Spread of Weapons in the Indian and Pacific Oceans (Canberra: ANU Press, 1978).

- _____ and Horner, D., eds., Australian Defence Policy for the 1980s (St. Lucia: University of Queensland Press, 1982).
- Philip, Eldrige, et al., Australian Overseas Aid (Sunny Hills: Groom Helm, 1986).
- Philip, Dennis, H., Cold War Two and Australia (Sydney, George Allen and Unwin, 1983).
- Rais, Rasul B., The Indian Ocean and the Super Powers: Economic, Political and Strategic Perspectives, (New Delhi: Vistaar Publications, 1987).
- Rajan, M.S., and Appadorai, A., India's Foreign Policy and Relations (New Delhi: South Asian Publishers, 1985).
- Raju, G.C., Indian Security Policy (Princeton: Princeton University Press, 1986).
- Rao, Veena, A Study of International Reactions to India's Nuclear Explosion (M.Phil Dissertation, JNU, New Delhi, 1975).
- Reid, Escot, Hungary and Suez: A View from New Delhi (Oak Ville: Mosaic Publishers, 1987).
- Rollason, Russel, The New International Economic Order and Implications for Australia (Sydney: Alternative Publishing Coop. Ltd., 1981).
- Satish Kumar, ed., Year Book on Indian Foreign Policy, 1982-83 (New Delhi: Sage, 1985).
- _____, Year Book on Indian Foreign Policy, 1983-84 (New Delhi: Sage, 1986).
- Spender, Percy, Exercise in Diplomacy: The Anzus Treaty and the Colombo Plan (Sydney: Sydney University Press, 1969).
- Subramaniam, S., ed., Foreign Trade and India's Export Policy (New Delhi: Deep & Deep, 1985).
- Teuchamann, Max, New Direction in Australian Foreign Policy: Ally, Satellite or Neutral? (England: Hammondsorth, 1969).

- Terrill, R., The Australian: In Search of an Identity (Bantam Press, 1987).
- Varma, Ravindra, Australia and Southeast Asia: The Crystallisation of a Relationship (New Delhi: Abinav, 1974).
- Vohra, Dewan C., The Commonwealth Economic Connection (New Delhi: ABC, 1984).
- Wall, Patrick, ed., The Southern Ocean and the Free World (London: Stacey International, 1977).
- Watt, Allen, The Evolution of Australian Foreign Policy, 1938-1965 (Cambridge, Cambridge University Press, 1967).
- Yarwood, T., Asian Migration to Australia (Melbourne: Melbourne University Press, 1964).
- (B) ARTICLES IN PERIODICALS
- Adie, W.A.C., "Indian Ocean Seen from Australia", Iranian Review of International Relations (Tehran), vol. 8, Fall 1976 pp.119-61.
- Albinsky, Henry S., "United States Security Interests and the New Zealand/Anzus Problems", World Review (St.Lucia), vol.25, no.2, June 1986, pp.25-31.
- Anand, J.P., "Indian Ocean: Soviet Military Presence", Strategic Analysis (New Delhi), vol.12, no.6, September 1987, pp.713-34.
- Anderson, Kim and Garnaut, Ross, "Australia's Trade Growth with Developing Countries", Developing Economics () vol.23, no.2, June 1985, pp.121-37.
- "Australia and the Indian Ocean Region: The Defence Aspects", Strategic Digest (New Delhi), vol.6 no.10, October 1976, pp.36-48.
- "Australian Foreign Policy, Nationalism and Independence", Australian Foreign Affairs Record (Canberra), vol.55, no.11, November 1984, pp.1171-74.
- "Australia's support for Namibian Independence", Australian Foreign Affairs Record, vol.56, no.8, August, 1985, pp. 711-15.

- Ayoob, Mohammed, "Southeast Asia in Indian Foreign Policy: Some Preliminary Observations", Contemporary Southeast Asia (Singapore) vol.9, no.1, June, 1987, pp.1-11.
- Barclay, G. St. J., "Problems in Australian Foreign Policy, July to December 1974", Australian Journal of Politics and History (St.Lucia), vol.21, no.1, April 1975, pp.1-10.
- Bell, Coral, "Howke in Office: Towards Bipartisanship in Australian Foreign Policy" World Today (London), vol.40, no.2, February, 1984, pp.65-72.
- Bhattacharya, Debesh, "Australia and New International Economic Order", Australian Quarterly, (Sydney), vol.50, no.4, December 1978, pp.44-47.
- Boyce, P.J., "Problems in Australian Foreign Policy, July to December, 1976," Australian Journal of Politics and History, vol.23, no.1, April 1977, pp. 1-9.
- Chari, P.R., "The Indian Ocean: An Indian Viewpoint", Iranian Review of International Affairs, vol. 8, Fall 1976, pp.163-84.
- _____, "India in the Emerging World Order", IDSA Journal (New Delhi), vol.9, no.3, January/March 1977, pp. 256-66.
- Chisti, Sumitra "India's Foreign Economic Policy", International Studies (New Delhi), vol.17, no.3-4, July-December 1978, pp.413-34.
- Cohen, Stephen P., "Indian Strategy and Decision Making: A Means of Achieving Great Power Status", Strategic Studies (Islamabad), vol.2, no.2, Autumn, 1978, pp.9-19.
- Davies, Joanna Lawe, " Australia and Indo-China", World Review vol.20, no.3, June 1981, pp.66-75.
- Firth, Stewart P., "Problems in Australian Foreign Policy, July to December 1983", Australian Journal of Politics and History, vol.30, no.2, 1984, pp. 184-95.
- _____, "Problems in Australian Foreign Policy, January to June 1984", Australian Journal of Politics and History, vol.30, no.3, 1984, pp., 327-36.
- Ganguli, Shiva Ji, "Continuity and change in India's Foreign Policy", India Quarterly, (New Delhi), vol.34, no.1, January/March 1978, pp.54-75.

- Garver, John W., "Chines-India Revalry in Indo-China", Asian Survey, (Berkeley, California), vol.27, no.11, November 1987, pp.1205-19.
- Ghosh P.S. and Panda Raja Ram, "Domestic Support for Mrs.Gandhi's Afghian Policy: The Soviet-Factor in Indian Politics", Asian Survey, vol.23, no.3, March 1983, pp.261-79.
- Ghosh, S.C. "Ideological Word of Maccolm Fraser", Australian Quarterly, vol.50, no.3, September 1978, pp.6-28.
- Goldsworthy, David, "Australia's Southern Africa Policy", World Review (St. Lucia), vol.17, no.2, June 1978, pp.53-65.
- Harries, Owen, "Australian Foreign policy under Whitlam" Orbis, (Philadelphia) Fall, 1975, pp.1090-1101.
- Hayden, Bill, "Australian Government's Foreign Policy Philosophy" Australian Foreign Affairs Record, vol.55, no.4, April 1984, pp.305-12.
- Indyke, Martin, "Walking Tall with a short stick, Australian Policy towards the Crisis in Iran and Afthanistan", World Review, vol.20, no.3, August 1981, pp.74-94.
- Jackson, Gordon, "Australia's Foreign Aid", World Review, vol.23, no.1, April 1984, pp.60-72.
- Jambholkar, V.K.H., "Major Developments in India's Foreign Policy and Relations", July to December 1980, International Studies, vol.21, no.4, October-December 1982: pp. 445-64.
- Jetly, Nancy, "Major Developments in India's Foreign Policy and Relations, January to June 1978", International Studies, vol. 18, no.3, July-September 1979, pp.352-81.
- Kapur, Ashok, "India's Foreign Policy: Prospects and Present Predicament" Round Table (London), no.295, July 1985, pp.23-39.
- Karim, Hasane Ara, "Australian Foreign Policy: Continuity and Shift" BISS Journal (Dhaka), vol.8, no.3, July 1987, pp.345-62.

- Knight, John, "Australia and Prospects for Regional Consultations and Cooperation in the Asian and Pacific Area," Australian Outlook, (Canberra), vol.28, no.3, December 1974, pp.259-73.
- Kochanek, Stanely A. "India's Changing Role in the United Nations", Pacific Affairs, (Vancouver), vol.53, no.1, spring1980, pp.48-68.
- Kumar Satish and Udayashankar B., "Major Developments in India's Foreign Policy and Relation, July to December 1976, International Studies vol. 16, no.3, July-September 1977, pp. 379-410.
- Mackellar Michael, "HAWKE GOVERNMENT and INTERNATIONAL Security: A critique," World Review vol.24, no.4, October 1984, pp.52-72.
- Mc Kinley Michael, "Problems in Australian Foreign Policy January to June 1983", Australian Journal of Politics and History, vol.29,no.3, pp.417-26.
- Medianskey, F., "Super Power Competition and Australia's strategic Environment," Australian Quarterly, vol.56, no.4, Summer 1984, pp.352-62.
- Miller, J.D.B. " Australia and the Subcontinent: Problems and Prospects" India Quarterly, vol.31, no.3, July-September 1975, pp.270-76.
- Millar, T.B., "The Foreign Policies of the Whitlam Government" Pacific Community, (Tokyo), April 1975, pp.393-406.
- _____, "Problems in Australian Foreign Policy, July to December, 1982" Australian Journal of Politics and History, vol.29, no.1, April 1983, pp.9-13.
- _____, "Emerging Bipartisanship in Australian Foreign Policy", Asia-Pacific Community, (Tokyo), vol.27, Winter 1985, pp. 1-15.
- _____, "Australia, Ally, Friend, Neutral? Round Table, no.297, January 1986, pp.44-49.
- Misra, K.P., "Peace Zone Concept: Far from the goal", World Focus, (New Delhi), vol.2, no.1, January 1981, pp.7-9.
- Mohan, C. Raja, "India's Nuclear Diplomacy: The Need for Clarity", Strategic Analysis, vol.12, no.11, February 1986, pp.1076-87.

Muni, S.D., "Major Developments in India's Foreign Policy and Relations, July to December 1975", International Studies, vol.15, no.3, July-September 1976, pp.393-417.

_____, "Major Developments in India's Foreign Policy and Relations January to June 1977", International Studies, vol.17, no.1, January-March 1978, pp.75-98.

_____, "Major Developments in India's Foreign Policy and Relations July to December 1978", International Studies, vol.19, no.1, January-March 1980, pp.71-86.

Murphy, D.G. "Problems in Australian Foreign Policy, January to June 1973", Australian Journal of Politics and History, vol. 19, no.3, December 1973, pp. 331-342.

Noorani, A.G., "India's Foreign Policy", Asian Affairs, vol.6, no.4, March/April 1979, pp.231-42.

Pant, Pushpesh, "Major Developments in India's Foreign Policy and Relations, January to June 1975," International Studies, vol. 15, no.1, January-March, 1976, pp.45-52.

_____, "Major Developments in India's Foreign Policy and Relations January to June 1976," International Studies, vol. 16, no.1, January-March 1977, pp. 51-63.

_____, "Major Developments in India's Foreign Policy and Relations January to June 1979," International Studies, vol. 19, no.3, July-September 1980, pp. 503-14.

Pettman, Ralph, "Problems in Australian Foreign Policy, January to June, 1974," Australian Journal of Politics and History, vol. 20, no.3, December 1974, pp.299-311. 28

Polouse, T.T., "India and Disarmament", International Studies, vol. 18, no.3, July-September 1978, pp.11-16.

_____, "India and the Nuclear Safeguard Controversy", India Quarterly, vol.35, no.2, April-June 1979, pp.153-62.

Richardson, J.L., "Problems in Australian Foreign Policy, January to June 1976," Australian Journal of Politics and History, vol.22, no.3, December 1976, pp.327-37.

Robert, J. Hanks, "The Indian Ocean Negotiations: Rocks and Sholes", Strategy Review (London), vol.VI, no.1, Winter 1978, pp. 18-27.

Schlegel, J.P., "Patterns of Diplomacy: Canada and Australia in the Third World", Australian Journal of Politics and History, vol.30, no.1, 1984, pp.7-18.

Sondhi, M.L., "Quest for Global Outlook", Mainstream (New Delhi), vol.16, no.4, 1 December 3, 1977, pp.27-8.

Stockwin, J.A.A. "Problems in Australian Foreign Policy, January to June 1980", Australian Journal of Politics and History, vol.26, no.3, December 1980, pp.330-54.

Subrahmaniam, K. "The Afghan Situation and India's National Interest", Foreign Affairs Report (New Delhi), vol.29, no.8, August 1980, pp.143-60.

Suter, Keith, D., "Australia and the Third World", Third World Quarterly (London), vol.5, no.4, October 1983, pp.861-73.

Thakur, Ramesh, "India's Vietnam Policy, 1946-79," Asian Survey, vol.19, no.10, October 1979, pp.957-76.

Venka Subbiah, H., "India and the Apartheid Question", India Quarterly, vol.33, no.1, January to March 1977, pp.62-70.

Yevgenyev, Fyodor, "Australia: Problems and Prospects", International Affairs (Mowcow), no.1, January 1988, pp.53-60.

(C) NEWS PAPERS

The Age (Melbourne)

The Canberra Times (Canberra)

Economic Times (New Delhi)

Financial Express (New Delhi)

The Hindū (Madras)

The Hindustan Times (New Delhi)

Indian Express (New Delhi)

Statesman (New Delhi)

Sydney Morning Herald (Sydney)

Times of India (New Delhi)

(D) OTHER SOURCES

Asian Recorder (New Delhi)

Far Eastern Economic Review (Hong Kong)

Indian & Foreign Review (New Delhi)

Keesing's Contemporary Archives (London)