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U.S. AND NEW ZEALAND : TROUBLE DOWN UNDER

INTRODUCTION

Immediately after New Zealand's new government took office on July 14, it banned nuclear-armed and -powered ships from its country's harbors and territorial waters. This poses serious potential problems for the U.S. For years under the terms of the ANZUS Treaty (signed in 1951 by Australia, New Zealand, and the U.S.), American warships routinely have called on New Zealand ports for fuel, supplies, and rest. This has made New Zealand an important link in the chain of Pacific defenses. Losing access to New Zealand's ports thus would have serious security implications--including the future of ANZUS. The problem is that, since Washington, as a matter of principle, refuses to confirm or deny the nuclear capabilities of its ships, a ban on nuclear-armed ships amounts to a ban on all U.S. ships.

To be sure, New Zealand's new Prime Minister, David Lange, has said that his country will remain "a firm ally of the U.S." In Australia, the Labour government of Prime Minister Robert Hawke and the Opposition, too, strongly support the continuance of ANZUS, while the Labour Left criticizes any nuclear connection. The South Pacific nations and those belonging to ASEAN--the Association of Southeast Asian Nations (Thailand, Malaysia, Singapore, Indonesia, Philippines, and Brunei)--view ANZUS as a force for stability in the region. But it is difficult to see how ANZUS will survive as it is if U.S. ships cannot count on New Zealand as a friendly port.

So far, Washington is patiently negotiating with New Zealand to maintain the status quo. In the meantime, the U.S. is going ahead with routine military matters and avoiding any pressure, either ship visits or sanctions, on the Lange government.

If the Lange government persists in keeping its pledge to bar U.S. nuclear-powered and nuclear-armed warships, the U.S. and Australia must consider the strategic consequences of this action. In the meantime, a persistent, quiet allied diplomatic dialogue is the preferred course. The U.S. and Australia cannot force New Zealand's new government to change its policies. But they can persist in their efforts to persuade New Zealand that ANZUS is part of the greater network of the West's global alliance system, which must remain united if it is to be strong.

NEW ZEALAND AND THE U.S.

New Zealand-U.S. ties began in 1797, when a U.S. seal-hunting ship stopped at one of New Zealand's northern islands, and continued through the years of New Zealand's affiliation with the British Empire. During World War II, until the battles of the Coral Sea and Midway turned the tide, New Zealand was very exposed, particularly after the fall of Singapore and the crippling of the U.S. fleet at Pearl Harbor. Through the war, New Zealand and Australia, in separate South and Southwest Pacific commands were ignored, to some extent, in the Pacific councils held by Britain and the U.S.

The U.S. and New Zealand have strong and growing economic ties. In 1982, the U.S. moved from third to second place behind Australia as a supplier to the New Zealand market. At a time when New Zealand's imports grew by less than 2 percent in U.S. dollar terms, imports from the U.S. grew by over 6 percent, and totaled more than U.S. \$1 billion. The U.S. vies with Britain as the major purchaser of New Zealand products.

THE ANZUS ALLIANCE

The fall of Singapore to Japan during World War II was a serious blow to Australia and New Zealand. In 1942, New Zealand Prime Minister Peter Fraser suggested a "Pacific Pact," fearing that Britain and the U.S. would concentrate their efforts in a European organization in which Australia and New Zealand could not participate. After the communist victory in Mainland China and the attack on the Republic of Korea in 1950, a Pacific pact became feasible.

The ANZUS Security Treaty was signed at the Presidio, San Francisco, on September 1, 1951, and entered into force on April 28, 1952. On November 3, 1983, the Treaty was described by Australian Defense Minister Gordon Scholes as "a coming together of strategic interests between Australia, New Zealand, and the United States, which remains relevant despite the greatly changed circumstances since it was signed."

The Treaty's guarantees of assistance are contained in Articles II, III, IV, and V. National forces are neither assigned

nor bound to any action. The signatories are required only to consult together "whenever in the opinion of any of them the territorial integrity, political independence, or security of any of the Parties is threatened in the Pacific."

This formulation does not parallel NATO's closely, but was intended to be no less binding. As Australian Foreign Minister R.G. Casey stated, the broad intention was that an attack on one should be regarded as "an attack upon all."

The treaty fostered combined exercises, exchange arrangements, and shared intelligence among other things. That friendship with the U.S. deters potential adversaries is generally accepted in the region, though the U.S. connection is sometimes held to be overrated. This is because, in a global conflict, it is realistically accepted that the U.S. may not have sufficient forces to aid its Pacific allies. In the case of a regional conflict there has been much debate over the possibility of the U.S. choosing to mediate or merely supply materiel. Some of these concerns were allayed by the June 24, 1984, speech by Assistant Secretary of State Paul Wolfowitz at Pennsylvania State University. He said: "...Australians and New Zealanders should rest assured that if any emergency confronts them, the American system is capable of decisive action--and willing to render it."

New Zealand and ANZUS

New Zealand embraced the ANZUS Treaty of 1951 less warmly than did Australia; similarly, its support of the war in Vietnam, where it sent 500 men, was less than enthusiastic. Indeed, for the first time, New Zealand troops fighting overseas became an issue in party politics. In addition to ANZUS, New Zealand also joined the Southeast Asia Treaty Organization (SEATO) and participated in the Commonwealth Reserve, which sent troops to quell the unrest in Malaya in 1955.

Norman Kirk, New Zealand's Labour Prime Minister of the early 1970s, stressed that ideas were not the monopoly of large nations. He advocated an independent foreign policy, declaring that morally right policies were likely to be politically right also. Lange seems at times to echo this.

Bill (now Sir Wallace) Rowling, the Labour Prime Minister of 1974-1975, resisted U.S. requests for nuclear ship visits. He has been chosen by the current Labour government to be New Zealand's next ambassador to the U.S. Kirk and Rowling were mainly concerned about nuclear safety and indemnities in the event of accidents. New Zealand sent a frigate to monitor French testing at Mururoa in 1973, urged an Indian Ocean zone of peace, and sought consultation with its Pacific neighbors to establish a nuclear weapons-free zone. When Labour's opposition, the National Party government, came to power in 1975, it pointed out the incongruity of an ANZUS member declaring a zone to ban those very units required to fulfill the ANZUS Treaty in an emergency. Nonetheless, a large

number of New Zealanders protested their government's reliance on a U.S. nuclear deterrent.

In the late 1970s, Australia and New Zealand, knowing that neither Britain nor the U.S. could come automatically to their assistance in a regional crisis, initiated new defense policies. The 1978 Defence Review emphasized New Zealand's responsibilities "in the part of the world where we belong, the South Pacific." The National Party government's 1983 Defence Review gave first priority to adequate surveillance and monitoring of the vast stretches of ocean and to deterring threats to New Zealand and its immediate interests. Small, flexible forces were planned, capable of deployment as independent units or with allies in the South Pacific. Further cooperation with Australia was anticipated in the enormous problems of sea surveillance.

Antipodean concern with Pacific defense needs has grown considerably. New Zealand shares bonds of kinship with the Pacific island nations. Australia, which formerly concentrated more on the Melanesian countries, has broadened its range of interests in the Pacific, in part to deter Soviet adventurism, as the end of colonialism saw the emergence of tiny island nations. Though the Pacific islands, except for Vanuatu, do not belong to the so-called nonaligned group of nations, there has been an erosion of good feeling towards the U.S. in the region. While communist influence through trade unions may be in part to blame, disagreements over tuna fishing have exacerbated the situation. Islanders feel that they are being robbed of resources that belong to them, and they resent the American Tuna Association's power to lobby Congress to win trade sanctions to be imposed on the Pacific islands.

In 1983, Lange broke with then Labour Party President Jim Anderson on the nuclear issue. Seeking a compromise that would permit cooperation with the Australian Labour Party on the nuclear-free zone concept, Lange opposed nuclear-armed but not nuclear-powered ships. In his successful election campaign this year, Lange made the "peace issue" Labour's first priority.¹

The 1984 ANZUS Council meeting in Wellington, New Zealand, convened after New Zealand's election but before Lange had taken office. Though he did not attend the meetings, Lange had conversations with Australian Prime Minister Hawke and U.S. Secretary of State George Shultz. Shultz was reported as saying during the mid-July meetings that ANZUS was virtually meaningless if U.S. ships could not come to New Zealand. He asked, "What kind of an alliance is it if the military forces of the countries involved are not able to be in contact with each other? What kind of an alliance would it be if the United States said we wouldn't send our military forces to this area?"

¹ In the unicameral Parliament the Labour Party has an absolute majority of 17, holding 56 of 95 seats. The National Party has 37 seats and Social Credit 2.

New Zealand Under Lange

Lange led Labour to its first victory in nine years. He heads a country of approximately 3.2 million people, with a foreign debt of about \$11 billion and foreign exchange reserves of about \$500 million. In May 1984, unemployment stood at 4.7 percent, or 7.7 percent if "assisted employment" is included. In June the inflation rate was 4.7 percent but is expected to rise to about 10 percent by the end of the year.

At 41, Lange is New Zealand's youngest prime minister. He is a lawyer, the son of a doctor who practiced in a workingclass neighborhood of Auckland, and has been influenced by a strongly Methodist upbringing. Postelection euphoria may have accounted for some of Lange's early statements to the press, but his views may be evolving. He referred to the Labour Party platform banning U.S. nuclear-powered or nuclear-armed ships as "not negotiable." Much more cautious were Lange's recent speeches in New York to the Foreign Policy Association and the U.N. General Assembly. He evaded questions about the ban on nuclear-armed ships, saying that he could not comment on strategic issues while talks with Shultz continued. These talks apparently are still in progress.

Lange has admitted that the great majority of New Zealanders would be upset if the ANZUS alliance, which he described as "still some sort of a symbol for collective security," were ended. There have been ambiguities in his references to New Zealand's defense needs, the prohibitive cost of armed neutrality, and the "inevitable fact of history that [New Zealand] is locked into U.S. and Australian defense patterns." Ambassador-designate Rowling appears to envisage the U.S., Australia, and New Zealand coming together in a new formal relationship that would be basically economic, with some military aspects. He is reported to consider U.S. encouragement of Japanese rearmament as a denial of ANZUS.² His remarks recall the view that ANZUS was formed to defend against possible Japanese rearmament.

The Labour government's position on nuclear ships is part of a broader strategy embracing other nuclear concerns. It feels it ought to be able to impose its will on its own shores. As a first step in a quest for nuclear nonproliferation, Pacific nations would be barred from venturing into nuclear weaponry. Lange characterizes the anti-nuclear sentiment in New Zealand as "mainstream," and he insists that it is in no way anti-American. He is not accurate, however, in ascribing Labour's election victory entirely to anti-nuclear sentiment in the electorate. There was a feeling in New Zealand that it was time for a change. There was also mounting dissatisfaction with the Prime Minister, Sir Robert Muldoon. For one thing, his "Think Big" development projects were disappointing; for another, his personality was abrasive.

² Washington Times, September 27, 1984, p. 5A.

STRATEGIC FACTORS

Soviet military forces in the Asia/Pacific region are far larger than required to protect the Soviet Far East, and they continue to increase.³ The 40 percent of the Soviet Navy that constitutes the Pacific fleet consists of modern surface ships and submarines. Vietnam's Cam Ranh Bay has been upgraded into a naval base for Soviet warships. Soviet maritime air capability, which includes anti-submarine warfare, Tu-95 Bear reconnaissance aircraft, and Tu-16 Badger strike aircraft, is becoming an anti-carrier strike force. The Tu-16 Badgers, capable of striking all the ASEAN capitals and north Australia from Cam Ranh Bay, are reported to be the first nuclear-capable strike aircraft that the Kremlin has stationed in Southern Asia.

Moscow is aware that secure air and shipping lanes are critical to the economies of the ANZUS partners, ASEAN, Northeast Asia, the Republic of China (Taiwan), and to the U.S. and allied security capabilities in Asia and the Persian Gulf. The Soviets could interrupt the West's access to raw materials by controlling the choke points in Indonesian waters.

Soviet subversion is also a concern. In February 1980, the Soviet Ambassador to New Zealand was expelled because he was caught personally giving money to a small communist group.

THE NEW ZEALAND LABOUR PARTY CONFERENCE

On September 9, 1984, a resolution was passed by a large majority at the New Zealand Labour Party Conference calling for New Zealand to withdraw from ANZUS. A cut in defense spending from roughly 2 percent of GNP to 1.5 percent was also voted. Defense motions were debated in secret, and it was decided that New Zealand forces should be withdrawn from all military exercises with nuclear powers; all New Zealand forces should be withdrawn from overseas deployment outside the Pacific except those under U.N. sponsorship; New Zealand's battalion in Singapore should be withdrawn within a year; the U.S. Air Force operation at Christchurch should be closed; all military operations and intelligence gathering with Indonesia and the Philippines should end; and the rapid deployment force should be disbanded. A call for the withdrawal of New Zealand defense attachés from the ASEAN countries was defeated.

In the New Zealand system these resolutions do not necessarily bind party policy. Yet such resolutions by New Zealand's governing party are sure to influence the way in which other nations view New Zealand. Lange and Defense Minister Frank O'Flynn were

³ Recent estimates are 1,820 Soviet and 990 U.S. planes; 808 Soviet and 212 U.S. warships in the Pacific.

reported to be perturbed at the anti-American tone of the conference, and the latter was concerned that the conference resolutions might be misinterpreted in other countries.

Shadow Foreign Minister Warren Cooper, commenting on the "hare-brained naiveté of the conference delegates," said that the government appeared to be hell-bent on taking New Zealand into the insecurity of a Third World nonaligned country.

THE SOUTH PACIFIC

The New Zealand Labour Party Conference met after Australia, New Zealand, and twelve island states gathered in August at the South Pacific Forum meeting in Tuvalu. It unanimously adopted the Australian proposal to make the region a nuclear-free zone. Washington is waiting for more details before taking a position on this. Some of the islands, led by Father Lini of Vanuatu, where port visits by nuclear ships are rejected, want to move quickly; others, like the nation of Tonga, think haste may disturb the U.S. Each Pacific nation will decide unilaterally whether to accept nuclear ships for port visits or within its territorial waters. (Currently Australia, Fiji, and Tonga welcome such visits.)

The "Pacific Way" of doing things is by consensus. There was no evidence that the Forum countries wished to cut themselves off from U.S. protection. Indeed, Papua New Guinea Prime Minister Michael Somare urged Pacific nations to consider the area's reliance on the U.S. for their security. He saw common U.S., Australia, and New Zealand agreement as necessary to protect the region from infiltration by outside powers, and he thought the ANZUS pact was more likely to be adjusted than abolished.

The Fijian Foreign Minister recently said that his government is willing to accept the label of "pro-American" if friendship with the U.S. helps the Fijians. He defended the July 28, 1983, lifting of the ban on U.S. warships as a realistic step in the best interests of Fiji's national security.

AUSTRALIAN REACTIONS

The disparities of power between the antipodean partners in ANZUS make Australian reaction to the Lange government's position an important factor in Asia/Pacific defense. Australian Prime Minister Hawke insists that the nuclear-free zone concept is feasible and an important step toward global arms control and disarmament. Yet national elections are to be held in Australia December 1. The opposition has been attacking Hawke for the potential absurdity of a nuclear-free zone that would exclude British, American, and French ships from Australian harbors. On July 24, a Gallup Poll showed 71 percent of Australians opposed to pulling out of the ANZUS treaty.

The Opposition has been vociferous in stressing the importance of ANZUS in the face of the Soviet Pacific buildup. Hawke has been a stalwart champion of ANZUS since coming to power. The Opposition has also stressed the advantages to all three ANZUS signatories in joint exercises, tactical doctrine, intelligence, techniques, and skills, as well as in integration in the logistical network and the advantages of overhead savings in defense support. The Hawke government has countered by citing its statements staunchly supporting ANZUS. In general, it seems that responsible Australians worry that New Zealand may be opting out of its ANZUS responsibilities, thus undercutting the whole network of alliances that unite the West.

THE POSITION OF ASEAN

ASEAN is not a defense alliance and does not want to become one. Yet the extent of the Soviet and Chinese military buildup has caused ASEAN's six members to consider defense arrangements much more seriously. Datuk Seri Mahathir Mohamad, Prime Minister of Malaysia, has said that ANZUS is necessary to the security of the region. Singapore Prime Minister Lee Kuan Yew long has supported the Five Power Defense Arrangements (Britain, Australia, New Zealand, Malaysia, and Singapore) and the degree to which the U.S. is brought, in a secondary way, into maintaining security in the region.

Exercising and training at Butterworth Air Base in Malaysia have helped Singapore-Malaysian cooperation. The fact that Australia and New Zealand belong to the five power pact gives ASEAN countries a feeling of psychological security. Exercises such as Sandgroper, in which the U.S., Australian, and New Zealand forces cooperate, and the cooperative surveillance of the Indian Ocean, Tasman Sea, and the Pacific also have been reassuring to ASEAN and others in Asia.

THE ROLE OF ANZUS IN THE REGION

With a growing population and economy, Australia seeks independent defense capabilities for surveillance and highly mobile, integrated forces to protect its vulnerable and remote northwest areas in which there is great promise of economic expansion. A strong Australia, meanwhile, provides stability in the Indian Ocean, Southeast Asia, and the Southwest Pacific. There is important strategic coincidence between Australia, Papua New Guinea, and Indonesia. While the Hawke government has moved to act more independently in the Indian Ocean region, it also supports Western interests there.

New Zealand's contribution to ANZUS understandably has been smaller than Australia's, but it has not been negligible. Both countries have maintained military forces in Southeast Asia, discussed defense cooperation, and contributed aircraft to the

Five Power Defense Arrangements. New Zealand, like Australia, has trained Papua New Guinea pilots to fly helicopters and has helped with mapping, navigation, and other projects to assist Asia/Pacific nations in strengthening their defense forces. New Zealand's contributions to the defense network have had psychological and strategic aspects. New Zealand's P-3 surveillance aircraft provide valuable intelligence information for a vast area in the South Pacific. The Royal New Zealand Navy, for example, has participated in the RIMPAC (Rim of the Pacific) exercises.

Were it to appear that the Western nations were less committed to mutual support, potential adversaries would increase efforts to promote the dissolution of the Western alliances. The Asia/Pacific countries rely on the contributions of Australia and New Zealand signatories to protect them from Soviet political and economic intrusions in the region and to provide the stability that gives confidence to investors and allows for multilateral solutions to global economic problems. When New Zealand's Lange distinguishes between the degree of involvement of New Zealand with the U.S. and that of Australia and the U.S., which includes shared military facilities and uranium trade, he overlooks the importance, actual and symbolic, of all the meshes in the Western security network. Lange makes the point that the U.S.-Australia relationship differs, for the reasons stated, from the U.S.-New Zealand relationship. But what really matters is what he overlooks.

THE U.S. VIEW

Washington has global, not regional, strategic concerns. In the shield of deterrence, ANZUS is the Pacific counterpart of NATO. The threat of a nuclear response is the best deterrence to nuclear attack. ANZUS cannot be denuclearized in the face of nuclear-armed adversaries.

After very thorough review of ANZUS last year, it was concluded by all three ANZUS allies that the alliance is satisfactory as it is. The U.S. sees ANZUS as benefiting all the countries involved. The Lange government, however, is threatening the treaty if it insists on verification of whether U.S. ships are carrying nuclear weapons. This would be tantamount to a ban on all U.S. warships. In peacetime, this would prevent the allies from working together; in a crisis, it could put the U.S. Navy at a disadvantage if it had to face nuclear-armed adversaries. This could lower the threshold for combat.

The banning of nuclear-powered warships would also needlessly increase operating expenses for the U.S. Navy. Nuclear-powered aircraft carriers and cruisers do not need the attendant tankers of their oil-fired sisters. The U.S. Pacific Fleet's ability to back U.S. political commitments extending from the Persian Gulf to Northeast Asia is greatly enhanced by nuclear-powered warships. Australia and New Zealand directly benefit from these commitments, particularly those in the Persian Gulf.

When asked after the ANZUS Council meeting in July whether the banning of nuclear ships would mean the end of ANZUS, Secretary of State Shultz said, "We'll have to see what happens, and I think it's better to stay away from iffy questions, to state our positions clearly, and to work with the new [New Zealand Labour] Government and see if we can't resolve the problem satisfactorily." Shultz also reaffirmed his view that nuclear weapons were required to keep the peace. Because Washington considers port visits important to the strength of ANZUS, it is furnishing extensive information on nuclear issues to the Lange government.

CONCLUSION

New Zealand's anti-nuclear feeling is more intense than Australia's. Prime Minister Lange's Labour Party has a long history of supporting anti-nuclear movements. Yet he must realize that, when Soviet expansion threatens allied strategic interests, those nations that trade with and invest in New Zealand will be troubled by his government's policies that affect ANZUS and by the tone of the Labour Party conference. Lange recently stated in New York that the alliance with the U.S. is a factor in any assessment of New Zealand's interests. He asserted, "We are a firm ally. We shall remain a firm ally." What this means if U.S. warships effectively are barred from New Zealand's ports, however, is very questionable.

In Australia, the Hawke government and the Opposition both have underscored their firm commitment to ANZUS. Despite the Left's denunciation of nuclear arms, it is generally recognized that Australia and New Zealand working together contribute significantly to stability in the Indian Ocean, Pacific, and ASEAN regions. Though Australia has proposed a nuclear-free zone, this would recognize international law regarding ship and aircraft transit and freedom of navigation. This means that U.S. ships carrying nuclear arms would not be prohibited from entering the area. Australia is convinced of the value of the ANZUS treaty as it stands.

The ASEAN states, many Pacific island nations, and more distant friends and allies are pursuing quiet diplomacy to keep ANZUS substantially unchanged as a framework for common defense support and cooperation and a part of the Western global defense matrix. Washington seems to appreciate Lange's determination to make some progress toward nuclear disarmament and is showing patience in giving the New Zealand government time to sort out its priorities.

If the Labour government persists in demanding a ban of U.S. nuclear-powered and nuclear-armed warships, the U.S. and Australia must begin to consider the strategic consequences of this action. In the meantime, a persistent diplomatic dialogue is the most rational course. Statements alluding to possible rash actions (such as Congressman Steven Solarz's suggestion during a visit to

New Zealand that the U.S. might not defend its southernmost ally if nuclear warships were barred) or private threats of economic sanctions do not represent credible policy alternatives. Such rash public stands would only prompt New Zealand to make the kind of rejoinders that later would be difficult for New Zealand to retract and would only strengthen the propaganda of those who wish to damage ANZUS. The U.S. and Australia should continue their diplomatic dialogue with New Zealand, stressing that maintenance of a strong ANZUS is an important contribution to the greater Western global alliance system.

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