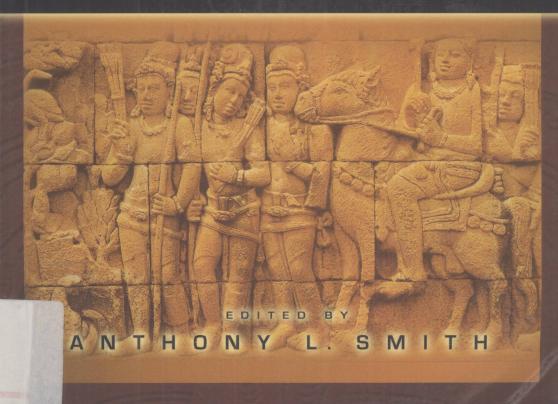
# SOUTHEAST ASIA AND NEW ZEALAND

A HISTORY OF REGIONAL AND BILATERAL RELATIONS



## SOUTHEAST ASIA AND NEW ZEALAND

A HISTORY OF REGIONAL AND BILATERAL RELATIONS

73 O. KS

EDITED BY

ANTHONY L. SMITH



Institute of Southeast Asian Studies
Singapore

New Zealand Institute of International Affairs in association with Victoria University Press First published in Singapore in 2005 by Institute of Southeast Asian Studies 30 Heng Mui Keng Terrace Pasir Panjang Singapore 119614

E-mail: publish@iseas.edu.sg Website: http://bookshop.iseas.edu.sg

First published in New Zealand in 2005 by New Zealand Institute of International Affairs in association with Victoria University Press Victoria University of Wellington PO Box 600 Wellington, New Zealand

Website: http://www.vuw.ac.nz/vup

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of the Institute of Southeast Asian Studies.

© 2005 Institute of Southeast Asian Studies, Singapore

The responsibility for facts and opinions in this publication rests exclusively with the editor and contributors and their interpretations do not necessarily reflect the views or the policy of the Institute or its supporters.

#### ISEAS Library Cataloguing-in-Publication Data

Southeast Asia and New Zealand: a history of regional and bilateral relations / edited by Anthony

- 1. Asia, Southeastern—Foreign relations—New Zealand.
- 2. New Zealand—Foreign relations—Asia, Southeastern.
- 3. Asia, Southeastern—Foreign economic relations—New Zealand.
- 4. New Zealand—Foreign economic relations—Asia, Southeastern.
- I. Smith, Anthony L.

DS525.9 N45S72

2005

ISBN 981-230-305-7 (ISEAS, Singapore)

ISBN 0-86473-519-7 (Victoria University Press, New Zealand)

Typeset by International Typesetters Pte. Ltd. Printed in Singapore by Seng Lee Press Pte. Ltd.

### SOUTHEAST ASIA NEW ZEALAND

The Institute of Southeast Asian Studies (ISEAS) was established as an autonomous organization in 1968. It is a regional centre dedicated to the study of socio-political, security and economic trends and developments in Southeast Asia and its wider geostrategic and economic environment.

The Institute's research programmes are the Regional Economic Studies (RES, including ASEAN and APEC), Regional Strategic and Political Studies (RSPS), and Regional Social and Cultural Studies (RSCS).

ISEAS Publications, an established academic press, has issued more than 1,000 books and journals. It is the largest scholarly publisher of research about Southeast Asia from within the region. ISEAS Publications works with many other academic and trade publishers and distributors to disseminate important research and analyses from and about Southeast Asia to the rest of the world.

#### CONTRIBUTORS

Michael Green was New Zealand's Ambassador to Indonesia from 1997 to 2001, after which he was a Deputy Secretary in the Ministry of Foreign Affairs and Trade in Wellington for three years. He began a posting as High Commissioner in Fiji at the end of 2004.

Gary Hawke is Professor of Economic History and Head of the School of Government, Victoria University of Wellington, New Zealand. He is also Chair of the Board of the New Zealand Committee of the Pacific Economic Co-operation Council (NZPECC).

Gerald Hensley was a former New Zealand High Commissioner to Singapore. He also served as Permanent Head of the Prime Minister's Department (1980 to 1987) and as Secretary of Defence (1991 to 1999).

**Stephen Hoadley** is an Associate Professor in the Department of Political Studies, University of Auckland.

Ian McGibbon, general editor (war history) in the New Zealand Ministry for Culture and Heritage's History Group and managing editor of *New Zealand International Review*, has written extensively on New Zealand's defence and foreign policies.

viii Contributors

Roberto Rabel is Director of the International Office, University of Otago and author of the forthcoming volume *New Zealand and the Vietnam War: Politics and Diplomacy* (Auckland: Auckland University Press, 2005).

Rhys Richards is a Pacific maritime historian, writing on Pacific arts and artifacts. Until he retired in 1999 he served with the New Zealand Ministry of Foreign Affairs and Trade, including as High Commissioner to the Solomon Islands (1996–99) and as a diplomat in the first New Zealand Embassy in the Philippines (1972–75).

Jim Rolfe is an Associate Professor at the Asia-Pacific Center for Security Studies, Hawai'i.

Mark G. Rolls is a Senior Lecturer in Asian politics in the Department of Political Science and Public Policy, University of Waikato.

Anthony L. Smith is an Associate Research Professor at the Asia Pacific Center for Security Studies, Hawai'i and an Associate Fellow at the Institute of Southeast Asian Studies, Singapore.

Guy Wilson-Roberts is a member of the Council for Security Cooperation in the Asia-Pacific (CSCAP) New Zealand national committee and a former public servant.

#### GLOSSARY

1RNZIR 1st Battalion, Royal New Zealand Infantry Regiment

ADB Asian Development Bank

ADAF Asia Development Assistance Facility

AFP Armed Forces of the Philippines

AFTA ASEAN Free Trade Area

AMDA Anglo-Malayan Defence Arrangements

ANZAM Australia, New Zealand, Malaya

ANZUK Australia, New Zealand, United Kingdom ANZUS Australia, New Zealand, United States

APEC Asia Pacific Economic Co-operation

ARF ASEAN Regional Forum

ASA Association of Southeast Asia

ASEAN Association of Southeast Asian Nations

ASEM Asia-Europe Meeting

ASPAC Asian and Pacific Council BFI Bukidnon forest project

BSPP Burma Socialist Programme Party

CEP Closer Economic Partnership

CER Closer Economic Relations (between Australia and

New Zealand)

CHOGM Commonwealth Heads of Government Meeting

CIET Committee for an Independent East Timor

CPM Communist Party of Malaya

CSR Commonwealth Strategic Reserve

DA Defence Attaché

Х

DK Democratic Kampuchea

ECAFE Economic Commission for Asia and the Far East

ECOSOC Economic and Social Council

EEC European Economic Community

EU European Union

FALINTIL Forças Armadas de Libertação Nacional de Timor

Leste (Armed Forces of National Liberation of East

Timor)

FAO Food and Agriculture Organization

FEALAC Forum for East Asia and Latin America

FRETILIN Frente Revolucionária do Timor Leste Independente

(Revolutionary Front for an Independent East

Timor).

FPDA Five-Power Defence Arrangements

GATT General Agreement on Tariffs and Trade

GCKD Coalition Government of Democratic Kampuchea

GRUNK Royal Government of National Union of

Kampuchea

GSP Generalized System of Preferences

HOM Head of Mission

IADS Integrated Air Defence System

ILO International Labour Organization

INTERFET International Force East Timor Malphindo Malaysia, Philippines, Indonesia

MAP Military Assistance Programme

MFA Minister for Foreign Affairs

MFAT New Zealand Ministry of Foreign Affairs and Trade

MFN Most-Favoured Nation

MOU Memorandum of Understanding

MP Member of Parliament

NAFTA New Zealand Australian Free Trade Agreement

(later also North American Free Trade Area)

NAM Non-Aligned Movement NEI Netherlands East Indies

NGO non-governmental organization

NLD National League for Democracy (Myanmar)

NUP National Unity Party (Myanmar)

NVA North Vietnamese Army

NZAID New Zealand's International Aid and Development

Agency

NZDF New Zealand Defence Force

NZFAR New Zealand Foreign Affairs Review

NZFATR New Zealand Foreign Affairs and Trade Review

NZHC New Zealand High Commission

NZPD New Zealand Parliamentary Debates

ODA official development assistance

OPM Free Papua Organisation

PAFTAD The Pacific Trade and Development Conference

PAP Peoples' Action Party (Singapore)

PAVN People's Army of Vietnam

PBEC Pacific Basin Economic Council

PECC Pacific Economic Co-operation Council

PKI Indonesian Communist Party

PM Prime Minister

PMC Post-Ministerial Conference (ASEAN)

PRC People's Republic of China

RAF Royal Air Force

χij

RNZAF Royal New Zealand Air Force

RNZN Royal New Zealand Navy

RUSI Republic of the United States of Indonesia

RVN Republic of Vietnam SAS Special Air Service

SD Secretary of Defence

SEACDT South-East Asian Collective Defence Treaty (Manila

Pact)

SEATO South-East Asia Treaty Organization

SFA Secretary of Foreign Affairs

SLORC State Law and Order Restoration Council (Myanmar)

SOC State of Cambodia

SPDC State Peace and Development Council

SSEA South and Southeast Asia Division, New Zealand

Ministry of Foreign Affairs and Trade

Tatmadaw armed forces, Myanmar

TIPP Trade and Investment Promotion Program

TradeNZ Trade New Zealand

UDT União Democrática Timorense (Timorese

Democratic Union)

UMNO United Malays National Organisation
UNAMET United Nations Mission in East Timor

UNDP United Nations Development Programme

UNGA United Nations General Assembly

UNMISET United Nations Mission of Support in East Timor

UNTAET United Nations Transitional Authority

UNTAC United Nations Transitional Authority in Cambodia

WTO World Trade Organization

#### PREFACE

I would like to acknowledge the strong support that this project has received from the New Zealand Institute of International Affairs (NZIIA), especially its former research committee chair, Bruce Brown, who played a leading role in guiding this project through. I am grateful too for the support given to this volume by the Institute's Director, Brian Lynch, and the current research committee chair, Associate Professor Rod Alley. I would also like to thank Historical Research Grants Advisory Group of the New Zealand Ministry of Foreign Affairs and Trade (MFAT), particularly its successive chairs, Ian Kennedy and James Kember, for the necessary funding for aspects of this project. Appreciation also goes to John Mills at MFAT for his efforts in locating primary archives for the authors in this volume. Thanks also go to Triena Ong, Head of the Publications Unit at the Institute of Southeast Asian Studies, for the publication of this project.

The various authors that have contributed to this volume have done so in their personal capacities. The views expressed in each chapter are the personal judgements of the authors, and, in the case of those in government employment, do not represent any official government views.

The chapters in this volume are written from New Zealand's point of view. Most chapters have made extensive use of archival files kept by the New Zealand Ministry of Foreign Affairs and Trade. Unless otherwise noted, file numbers found in the notation refer to these archives. It

xiv

should be noted that MFAT has undergone several name changes over the years: Department of External Affairs, 1949 to 1969; Ministry of Foreign Affairs, 1970 to 1987; Ministry of External Relations and Trade, 1988 to 1991; and Ministry of Foreign Affairs and Trade, 1992 to the present time. All figures given in this volume are in New Zealand dollars unless otherwise stated. Some earlier figures are given in New Zealand pounds as New Zealand did not adopt the decimal currency system until 10 July 1967.

Anthony L. Smith

#### CONTENTS

Contributors Glossary Preface	vii ix xiii
Introduction: The Emergence of New Zealand's Relationship with Southeast Asia  Anthony L. Smith	1
1. The Defence Dimension  Ian McGibbon	7
2. Coming to Terms with the Regional Identity  Jim Rolfe	32
3. The Economic Relationship  Gary R. Hawke	57
4. The "Dilemma" of Recognition: New Zealand and Cambodia Anthony L. Smith	93
5. Diplomacy, Peacekeeping, and Nation-Building: New Zealand and East Timor Stephen Hoadley	124

vi	Contents
6. Uneasy Partners: New Zealand and Indonesia  Michael Green	145
7. Growing Apart: New Zealand and Malaysia  Mark G. Rolls	209
8. Beyond the Rhetoric: New Zealand and Myanmar Guy Wilson-Roberts	263
9. Warmth Without Depth: New Zealand and the Philippines Rhys Richards	286
10. Palm and Pine: New Zealand and Singapore Gerald Hensley	297
11. From an Alliance to a Broad Relationship: New Zealand and Thailand Anthony L. Smith	331
12. In the Shadow of War: New Zealand and Vietnam Roberto Rabel	369

## INTRODUCTION: THE EMERGENCE OF NEW ZEALAND'S RELATIONSHIP WITH SOUTHEAST ASIA

ANTHONY L. SMITH

New Zealand's relationship with Southeast Asia has evolved significantly since the end of World War II (WWII). With the exception of New Zealand and Australian pressure on Great Britain to shore up the Singapore base prior to WWII New Zealand did not have interests in Southeast Asia beyond the continuation of British power in the region. The end of the War in the Pacific dragged New Zealand into a relationship with the countries of Southeast Asia. This interest was based on meeting future threats that might come through a weak and unstable Southeast Asia. In the 1950s a New Zealand Minister of External Affairs, T.C. Webb, characterized Southeast Asia as "like so many stepping stones leading down to Australia and New Zealand". Asia as a whole appeared to be a large threatening continent, in which communism was taking hold. Furthermore, New Zealand's policy-makers believed the Southeast

Asian region was being destabilized through external subversion as part of a Cold War confrontation with China and the Soviet Union.

Thus, in the immediate post-war decades, New Zealand foreign policy in Southeast Asia was concerned with security in Southeast Asia. The stability of struggling regimes throughout the region was of grave concern throughout the first half of the Cold War. Wellington went along with a two-pronged plan formulated by the western allies to promote regional stability. First, New Zealand's contribution to the Colombo Plan, initially designed to channel aid to commonwealth Asia and later to much of non-communist Asia, assisted with developmental aid projects in South and Southeast Asia in order to provide social cohesion and economic security for the emerging post-colonial nations. In 1951, F.W. Doidge, Minister of External Affairs, observed that giving aid to the wider region emerged from New Zealand's desire to "stem the tide of Communism". 2 While force had been necessary in some contexts (like Korea), Doidge argued, helping the "teeming masses" out of their poverty was a better means to check communism in the long term. Secondly, New Zealand signed an array of regional defence arrangements including the Canberra Pact with Australia, the Commonwealth Strategic Reserve, ANZUS (Australia, New Zealand, United States) and the South-East Asia Treaty Organization (SEATO). New Zealand's military strategy in Southeast Asia did mean contact with the countries of Southeast Asia, but was primarily concerned with maintaining Britain and the United States in the region to guarantee the security buffer. Thus, due to Cold War concerns, New Zealand's initial post-war contact with Southeast Asia became embedded in a framework of collective security and official development assistance.

Although Wellington saw domestic resilience within each country as more useful than foreign military intervention, New Zealand did participate in various military campaigns in Southeast Asia. New Zealand armed forces took part in the Malayan Emergency, the Borneo Confrontation and the Vietnam War, as well as having garrison troops in Singapore and briefly in Thailand. This was all part of New Zealand's "forward defence" regional security strategy, or the strategy to meet, and attempt to curb, any threat from the north.

The notion of "forward defence" was dropped in the 1970s with