

ANNEX B

SUMMARY OF PROGRESS IN WASHINGTON WORKING GROUPS

Eight Working Groups have been set up in Washington since the Prime Minister's visit in October 1957. The following is a short summary of the progress which they have made.

(a) Defence, Research and Development Co-operation

See Annex A.

(b) "Institutional" Working Group

This group came into existence on the instructions of the Prime Minister and the President in order to study ways to "institutionalise" interdependence, i.e. to provide an institutional framework whereby the various organisations of the free world could be strengthened and brought closer together. The main subjects for possible study here are the strengthening of the Baghdad Pact and SEATO and creation of links between them, NATO and the OAS.

The Working Group has not yet met. This is because shortly after the Washington talks the NATO Ministerial Meeting in December initiated a move towards linking the four organisations by authorising M. Spaak to make approaches to the Secretaries-General of SEATO, the Baghdad Pact and the OAS, and both the Americans and ourselves thought it better to await the outcome of these approaches before starting an Anglo-American study. The Secretary-General of SEATO has replied to M. Spaak conveying SEATO's acceptance of the proposal to develop relations between the two organisations, and suggesting that these relations should be established in a simple and discreet manner by means of an exchange of views and information every two or three months on the situation in the respective NATO and SEATO areas; and of an exchange of views on organisational problems where this would be useful. M. Spaak has also heard from the Secretary-General of the OAS, who agrees to the suggestion though in more guarded terms. It was agreed in principle at the Baghdad Pact Council Meeting at Ankara in January that M. Spaak's approach should be favourably received, but the Deputies are still considering the exact terms of the reply. It is likely that the Secretary-General will be authorised to suggest that members of their two staffs should meet in Paris to establish personal contact and discuss ways and means of exchanging experience and information. When all the replies are to hand, we may wish to discuss the next steps with the Americans in the Working Group.

Meanwhile normal Anglo-American contacts on this subject have been going on; in particular, there was close and satisfactory co-operation at the successful Manila meeting in March.

(c) Syria and Middle East Working Group

The Group was set up to discuss policy towards Syria before the establishment of the United Arab States. Its scope has now been enlarged to cover, inter alia, the Yemen, the Lebanon and the Sudan. The discussions have undoubtedly been useful in arriving at agreed assessments of the situation, but, so far at

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least, less useful in arriving at any plans for action. For example, one of the main subjects of discussion was about action we and the Americans should take in case of a coup in Jordan or the Lebanon, but the American Chiefs of Staff, after preliminary discussion, turned down our offer of a planning team on the grounds that joint planning was unnecessary. As a result the crisis in the Lebanon caught us with no joint plan and one had to be improvised at short notice. We should hope that this may have convinced those concerned of the need for joint military planning in advance of a crisis.

(d) Algeria Working Group

The Group had started work with an exchange of views over Algeria when first the Franco-Tunisian crisis and then the French revolt in Algeria supervened. Whatever may be the internal political developments in France, it is clear that the French policy in Algeria and towards Tunisia and Morocco will be redefined, and we shall have to re-examine our own policy in the light of this. As soon as the French position has become clearer we should ask the Working Group to study the whole North African position as a matter of urgency, including the possibility of some form of Western Mediterranean grouping.

(e) The Horn of Africa

There have been useful joint discussions on the Horn of Africa and especially Somalia. These have been concerned largely with the economic support of Somalia when that country becomes independent in 1960 but have also covered relations between Somalia and Ethiopia, and the increasing menace of Egypt in the Horn. We need more intelligence about Egyptian activities and the internal position in Somalia, and in view of the limited resources which both we and the Americans are able to devote to the area we hope that the C.I.A. will be prepared to exchange information and thus enable us both to produce a "stereoscopic" view. There would seem some advantage in putting our discussions onto a regular working group basis.

(f) Information Policy Working Group

The process of developing closer contacts in the information field, which was begun by a visit to Washington by Mr. F.R.H. Murray at the end of 1957, has made good progress. There is a steadily increasing exchange of papers on various subjects with a view to arriving at an agreed information policy and arrangements for improved co-operation between the respective agencies have been kept under review. Mr. Murray has followed up the first meeting of the Working Group with informal talks in Paris with Mr. Bording of the State Department in May and the second meeting of the Working Group is expected to take place in July. A meeting to be held in Canberra at the beginning of June has the aim of establishing Anglo-American-Australian-New Zealand co-operation in the information field in S.E. Asia. Certain aspects of American information policy in Kenya have been the subject of frank and helpful Anglo-American discussion.

(g) Hong Kong Working Group

In the case of Hong Kong, no difficulty was experienced in

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Stage I of the allotted task (the production of a joint estimate of the threats to Hong Kong) and a joint paper acceptable to us was agreed with the Americans in January. Progress on Stage II (examination of joint measures to meet the threat) has, however, been delayed owing to the lengthy consideration required in the preparation of the briefs for our team in Washington. These have now been agreed interdepartmentally in London and by the Defence Committee, but Ministers are looking at the matter again since they have some doubt as to the wisdom of seeking commitments from the Americans, at least on the military side, as proposed, and favour remission of the military study to staff talks without commitment to Governments. It has been suggested that the Prime Minister might discuss this further with the President during his forthcoming visit to Washington.

(h) Economic Working Groups

(i) Joint Economic Measures

See Annex C.

(ii) Longer-term Economic Problems

There was a round of discussions in Washington in February and another took place in Washington in May. A great deal of work and persuasion lies ahead before we can expect to be able to influence the Americans over these questions, which are the most important of all if interdependence is to become a reality. The discussions in May showed that the Americans are now taking these problems seriously and that some progress has been made; but there is still far to go.

(i) Indonesia Working Group

This group, in which the Australians have participated from the outset, was set up in January, and provided a useful forum for the consideration of joint policy towards the dissidents. Important questions involving new trends of policy have, however, been dealt with through the diplomatic channel at a higher level. With the collapse of the dissident movement, the Working Group's chief function has lapsed. But we should aim to keep the group in being as a means of influencing United States policy towards Indonesia.