Chapter VII

SWORDS INTO PLOUGHSHARES

AUSTRALIA'S ECONOMIC AID TO SOUTHEAST ASIA

If thou givest a fish to a man,
He will eat only once,
But if thou teachest him to fish,
He will eat all his life.

- KUAN-TZU, Chinese saint.
Southeast Asia from a Ringside Seat

In the quest by an Occidental community like Australia for a *modus vivendi* with the neighbouring Asia, sympathy has been a sentiment only less important than fear. If Australia's link-up with its "great and powerful friends" through ANZUS and SEATO can be explained by a background of fear, sympathy explains some of the non-military approaches evolved during this period for supplementing what had been achieved through military alliances. Efforts by the Government and certain private groups in Australia towards providing economic and technical assistance to Asia represent this strand. In this, however, philanthropy was combined with opposition to communism, awareness of the long-term national interest and a desire to make-up a diplomatic leeway in the country's emerging relationships with the new states of Southeast Asia.

During the war, the region of Southeast Asia had been a battleground of conflicting armies. The colonial economy of this area had now to pay a heavy toll for the ravages of the war. The damages of "scorched earth" and "denial" policies were manifest everywhere. In North Borneo, for example, two towns were practically
razed to the ground. (1) In Burma, the gross domestic product was 40 per cent below pre-war level. (2) Even where fighting and consequent destruction had been less, industries, ports and railways had been over-worked and there were enormous arrears of repairs and maintenance to be made good. (3) Recovery was made difficult because of political and social disturbances that occurred during the process of de-colonization following the war.

The magnitude of under-development is well understood by economists as well as laymen. (4) In Southeast Asia, it produced results which were alarming from the Australian point of view. The contrast in the

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4 For some characteristics of economic under-development, see David C. Corbett, Australian Aid in South and South-east Asia. Public lecture under the auspices of the Australian National University in conjunction with the Australian Institute of International Affairs, June 1965 (Mimeographed), p. 6. As Prof. Corbett pointed out, these characteristics included poverty; relative immobility of labour owing to traditional or quasi-feudal restraints; limited technical skills and entrepreneurial talents; rural under-employment and urban unemployment, and, finally, in some countries of Southeast Asia (and in at least some regions of all
life and living of an Australian and his Asian neighbour could be ignored only at the former's peril. These contrasts existed and still exist in almost all walks of life. If, for example, the Australian consumed 3,500 calories of food every day, the average for the Asian was only 2000 calories. In Australia's Near North, the proportion of babies, who died during their first year of life, was six times as high as in Australia, and the average expectation of life at birth was less than half as long. While eight out of every ten people in South and Southeast Asia were unable to read and write, the compulsory attendance of an Australian child of six at the school had been ensured through a series of legislative enactments beginning from 1872. Such examples, as these, could be multiplied. In the post-Merdeka phase, the Asian was virtually concerned with his own concept of economic justice, and this put the Western world, of which Australia was unmistakably a part, into an unfavourable light before the former. In the period under review, the whole of Asia was passing through various phases of

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nation-building. The countries of Southeast Asia, in particular, were faced with ethnic and religious separatist movements, peasant revolts, strikes and riots in estate areas and Communist activity. (6) The area was tending to become a playground of competing economic ideologies and Great Power rivalry. "The problems of diplomacy in Southeast Asia", it was aptly stated, "are deeply rooted in economics."(7)

Under-development, however, has political overtones, which have been insufficiently appreciated by laymen and political scientists alike. In fact, to policy-planners in Canberra and to the Australians in the diplomatic posts in Southeast Asia, the political aspects of under-development were more important than economic, especially during the period under review. There is some truth in the statement that "poverty in the region is age-old and continuing; political instability can be contagious and threatening."(8) A Canadian scholar (9) has sought to analyze the characteristic ills of political under-development in the distinct context of


For an account of these, see McGee, ibid., pp.49-54.


The statement is of Corbett, n.4, p.6.

Ibid.
Southeast Asia. Whether it was Burma or Laos, Indonesia or Vietnam, the malaise was almost universal in the region. The under-developed political system, he states, is one which has great difficulty in adjusting to new demands from within and without. In its tortured effort to contend with them, it may resort to diversionary and aggressive foreign adventures. This political system is, therefore, one that hovers close to civil war. It often means "uncertainty from month to month as to where in the community power is located or what form the struggle for power will take next, or how power is likely to be used." The goal of these under-developed political systems was obviously the achievement of political stability which could result from "the emergence within the community of many articulate interests and interest groups, and of a process of bargaining amongst them." In this, authority was routinized and charisma gave way to bureaucracy. The "politics of scarcity" and its concomitant of political instability thus placed the countries of Southeast Asia in the maelstrom of world power politics with rival pulls of communism and non-communism, each trying to entice them away from the other. The implication was duly noted in Australia. Upon his appointment as Minister for External Affairs, Spender declared in unmistakable terms that
... our future to an ever-increasing degree depends upon the political stability of our Asian neighbours, upon the economic well-being of Asian peoples and upon understanding and friendly relations between Australia and Asia. (10)

Writing about the same time, Prof. Crawford also held that his country must share fully in the necessary and inevitable equivalent of a Marshall Plan for those parts of Asia still open to Western help. (11)

**Earlier Australian Aid to Southeast Asia**

In the immediate post-war period, Australia gave a modest amount of emergency and technical assistance to Indonesia and others. Its credentials had been so well established with the Indonesians that, three weeks before the Linggadjati Agreement, Republican leaders were reported to be anxious for Australian aid, and plans were ready to send students and buyers to Australia. This they would do once their independence was recognized by Canberra.

The ALP Government routed the bulk of its economic aid through the United Nations, in which Dr Evatt had a rather proprietary interest. Australia thus made contributions through UNRRA, UNICEF and UNESCO. (12) Time and again, Australian spokesmen laid

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10 Spender, n. 3, p. 195. He quotes this statement from Sydney Sun, 2 January 1950.
12 The succeeding LCP Government continued this policy. On 4 July 1950, Australia became the first country to make its contribution ( $ 400,000) available to
stress on the advancement of the people of the Pacific. The creation of the South Pacific Commission represented the direction in which the ALP Government was moving. The Government was quick to announce in 1947 that instrumentalities similar to the South Pacific Commission should be established for Southeast Asia and West Pacific as well. (13) Had Labour retained the reins of power in Canberra, there is no doubt that they too would have evolved some form of aid programme on an enlarged scale.

The only significant step in this respect during the period of Chifley Government was the Commonwealth loan to Burma. In 1949, that country was in the throes of insurrection and the neighbouring Dominions, particularly, Australia and India were greatly concerned. On 27 February 1949, informal discussions on the situation in Burma were held in New Delhi, in which both Nehru and Evatt were present. (14) This resulted in the grant to Burma of a loan of £6,000,000 Stg., in which Australia joined the world body for its Technical Aid Programme.

14 Besides Nehru and Evatt, Britain's Arthur Bottomley and High Commissioners of Ceylon and the United Kingdom were present at these discussions.
other members of the Commonwealth of Nations, namely, Ceylon, India, Pakistan and the United Kingdom.

Origins of the Colombo Plan

The AIP Government had hardly come round to defining its attitude towards the vexed question of aiding under-developed Asian countries when it was swept out of power by a coalition of Liberal and Country Parties led by Robert Menzies. Percy Spender, who had long been the chief spokesman on foreign affairs in the Opposition shadow cabinet, became the Minister for External Affairs in the new Government. His first task as a Minister was to represent his country at the Commonwealth Foreign Ministers' Conference, held in Colombo from 9 to 14 January 1950. The meeting of Commonwealth statesmen was of importance in many ways. Firstly, as it has been aptly stated, it was "a meeting of giants". (15) In Colombo, the Australian statesmen found himself in the company of statesmen of world stature: the galaxy included men like Ernest Bevin, Jawaharlal Nehru, Lester Pearson, D.S. Senanayake and others. Such a high calibred group was bound to be

receptive to the vision that Spender put before them. Secondly, they met at the cross roads of history, when new States, destined to command the stage of world politics throughout the period under review, rose on the mainland of Asia. The newly independent States of the South Asian realm—India, Pakistan and Ceylon—were represented at the meeting as equals of the British and other Dominion representatives. In East Asia, the Communist Revolution had succeeded in China and the real freedom of action in international affairs, acquired by it at last, was going to be the preoccupation of statesmen and diplomats alike in Australia and other countries in the following years. In the last place, the venue itself was symptomatic of the claim which Asia was going to make on the attention of Powers—big and small—in the coming decade.

In the Conference, Spender did not find support on the question of creating a Pacific Pact for meeting the expansionist challenge of international communism. The emphasis, therefore, shifted to building up an economic bulwark against under-development, political as well as economic. Here, the climate was more favourable. Premier Senanayake of Ceylon had himself declared in his opening speech:
The fundamental problem of Asia was economic and not political, and it was necessary for world peace that positive steps be taken to tackle Asian poverty and improve the standard of living. (16)

Both Nehru and Gulam Mohammad supported Senanayake, but none had come prepared with definite plans for the economic regeneration of new Asia. Ceylon's Finance Minister, J.R. Jayawardene was more specific, but his persuasive power was conditioned by the fact that he came of a country whose role would be that of a recipient rather than a donor - a disadvantage which the Australian statesman did not have. Thus, though the idea of the Plan was conceived earlier by a number of people in the United Nations, Europe, America and Asia (17) and the Ceylonese Finance Minister suggested it earlier than Spender, the enthusiasm with which Spender put forward the case made the plan known for some time as the Spender Plan. It was the sheer

16 The Times (London), 10 January 1950.
17 Among Asians, Sardar K.M. Panikkar wrote in his In Two Chinas that he drafted a memorandum on the subject when he was India's Ambassador to China and circulated it among other diplomats from the Commonwealth countries, including the late Sir Keith Officer, the Australian envoy. Later Sir Keith told him that his memorandum formed the basis of discussions which led to the Colombo Plan. See L.P. Singh, The Colombo Plan: Some Political Aspects (Canberra, 1963), p.7. In his letter to this writer, Sir Percy Spender has denied having had any knowledge of the contents of Panikkar's memorandum. To his knowledge, it was never mentioned at the Colombo Conference or at any discussions he had.
enthusiasm of the Australian, who had been Minister for barely a month, that surmounted hurdles, such as, the parochialism of Canadian and South African delegations, the skepticism of Nehru and Anglo-centric pragmatism of Bevin. (18) While Canada pointed to its commitments in the Atlantic, South Africa spoke of its stress on Africa and Europe rather than on any part of Asia. Nehru felt that the United Nations, and not the Commonwealth of Nations, should more appropriately undertake the task of aiding the under-developed world, more particularly, in Asia. Bevin's fear was that the Plan would further increase his country's existing financial difficulties and would encourage the participants in putting more strains on the British economy by making quick withdrawals from their sterling balances in England. (19) Spender, however, received full support from New Zealand's Doidge. In Colombo's Senate Building, where the Commonwealth statesmen were meeting, Spender was able to bring home to others the point that the situation in Southeast Asia was too delicate to allow for any qualms about buttressing

18 For the attitude of Nehru and Bevin, see Spender, n.3, p. 228-9.
19 For these reactions to Spender's proposals, see Singh, n.17, pp.7-8.
it by any means available - economic as well as political. For this, he suggested short-term needs as well as long-term remedies. Thus came into being a plan of economic development, which, to an Indian writer, marks "a great success for the Australian diplomacy as well as that of the Western Bloc". (20) Spender himself wrote nineteen years later that the story of the Colombo Plan "provides a dramatic example of how a small nation, as Australia still is, may influence history." (21)

When the Colombo talks ended on 14 January, Spender visited several Asian nations and did not return to Canberra until the end of the month. As newly initiated Minister for External Affairs of a new Government, he made his maiden speech in Parliament on 9 March. (22) In this, he referred to the missing component of the scheme that he had proposed and worked for in Colombo. This missing component was the American assistance without which, he felt, the plan could not succeed. The Australian

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21 Spender, n. 3, p. 200.
diplomacy, it may be presumed, worked for this aim in the following few months, directly as well as through London. In Colombo, a Commonwealth Consultative Committee had been set up and, as decided then, it met in Sydney from 15 to 20 May to give shape to the plan. On 18 May, that is, three days after the Sydney meeting, Acheson assured Bevin in London that America would co-ordinate its efforts with the Commonwealth of Nations in the area covered by the Colombo Plan. Thus the missing link was at last supplied by the United States, and Spender welcomed the offer on the floor of his country’s Parliament.

The work of Colombo meeting was completed by meetings of Commonwealth Consultative Committee in Sydney and London in May and September respectively.

The first meeting of the Commonwealth Consultative Committee was held in Sydney’s Admiralty House in the shadow of the famous Harbour Bridge. Here India was easily assured that the receipt of aid would not amount to compromising its independence and that

aid would be completely without "strings", (25) thus establishing the bona-fides of the scheme in the eyes of the peoples and Governments in the region. Another task of the Sydney meeting was to reconcile the "signs of youthful impatience" of Australia (in the opinion of the British delegation) with what appeared to be a "typical narrow treasury approach" on the part of Britain. (26) It arose from the Australian proposals for immediately setting up a (British) Commonwealth Fund of 8 million Pounds Sterling and arranging emergency food supplies to the needy Asian countries. In the compromise that emerged, both Australian proposals were dropped and the United Kingdom was assured that the Plan would not imply unreasonable burden on its already depleted economic resources. On the credit side, the meeting approved a Three-year Technical Co-operation Scheme, again a fruit of Australian initiative, with a proper constitution to be drafted by officials later. (27) Australia and the United Kingdom promised to meet

25 The Times, 16 May 1950.
27 The constitution was ready by July 1950.
three-fourths of the cost of this scheme. Secondly, the meeting recommended a six-year plan for economic development of South and Southeast Asia. Thus the Plan, launched on 1 July 1951 was, as its chief architect wrote later, "the culmination of months of painstaking research and critical examination and discussion of specific programmes of members of the British Commonwealth." (28)

Some Features of the Colombo Plan

Australia's initiative in pioneering the Colombo Plan showed that while the Menzies Government was seeking an alliance with the United States for under-writing Australia's security vis-a-vis Asia, it was also seeking to buttress the coveted alliance and the resulting security through a non-political and non-military approach, symbolized by the Colombo Plan. Spender himself wrote later:

Security in the Pacific; economic and technical aid and political stability in Southeast Asia were, to me, rather like two sides of one coin. (29)

How very successful was the two-pronged policy was revealed from the fact that the ANZUS Treaty was initialled only 12 days after the launching of the Plan on 1 July 1950.

29 Spender, n.3, p.196.
The Colombo Plan, like the Commonwealth of Nations, which fathered it, has been a rather unspectacular and informal affair. It does not possess an elaborate machinery. (30) The real hub of the Plan has been its general Ministerial forum known as the Commonwealth Consultative Committee, which meets once every year. It meets in camera, takes no binding decisions and never indulges in the luxury of voting. In its meetings, those countries which need aid bring their requirements and potential donors discuss which country, how and to what extent can help those which need help; actual donors learn how their assistance is being utilized and with what results. (31) In the absence of a permanent Secretariat, the Committee itself has to prepare an annual report through its Drafting Committee. These annual reports have brought on record the progress made by the Plan in its manifold tasks. The possible role of the Consultative Committee as distributor of external finance among needy members, though mentioned in the early fifties, did not come about. Bi-lateralism somehow came to stay and donors and recipients alike

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30 For a detailed account of the organizational framework of the Plan, see Singh, n. 17, pp. 21-39.

31 A good deal of work is done in the committees and offices as well as at social functions.
avoided dragging the Committee into the aid diplomacy. The Council of Technical Co-operation (created in the Sydney meeting at Australia's suggestion) and the Colombo Plan Bureau were designed to function as clearing houses for offers of, and requests for, technical assistance. But bi-lateral dealings later made them "receivers of mail" only. The Bureau has a modest budget, which is shared equally by all members, irrespective of its being a donor or recipient, big or small. Australia's P.W.E. Curtin succeeded a Briton as Director of the Bureau in September 1953 and continued until 1957.

The Plan covered a large area of 8,308,996 square kilometers. The Plan has been "successfully eclectic" and, as an Australian political scientist has pointed out, "it cuts across all other alliances except those stemming from the Soviet Union .... "(32) The Plan was called an arrangement, because, apart from its Bureau, there was no permanent organization in it at all. In one way, it is misleading to call it

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Creighton Burns, "The Colombo Plan and the Australian Foreign Policy", The Australian Outlook, vol. 12, no. 1 (March 1958), p. 40. Burns further points out that the Plan "has coupled incompatibles - nations which are members of the Western military alliance with those in the van of militant non-commitment; liberal parliamentary democracies with benevolent de facto dictatorships; political systems stable to the point of boredom with those where chaos is endemic .... "
a plan at all. Frederick Benham, the renowned economist, has called it "an envelope covering the development programs of member countries in South-East Asia." (33) It was thus not a single, integrated whole, but "an aggregate" of bilateral agreements negotiated between donors and recipients. During the period covered in this study, recipients were called "regional" members and donors were called "outsiders", a distinction which was later blurred. Despite its proximity to Asia and the domestic controversy in Australia about its being or not being in Asia, Australia was represented as an "outsider" in the literature brought out by the Colombo Plan Bureau.

Though the initiative for the Colombo Plan came from the Commonwealth of Nations, it was clear at the very outset that non-Commonwealth countries were to be invited to join it as soon as possible. In 1950, the Plan was started with the membership of Australia, Canada, New Zealand and the United Kingdom among the donors and Ceylon, India, Pakistan and the British territories of Malaya and

British Borneo among the recipients. There has been a steady increase in its membership since then, as indicated by the following Table:

**MEMBERSHIP OF THE COLOMBO PLAN (34)**

**1950 - 1954**

<table>
<thead>
<tr>
<th>Year of admission</th>
<th>Non-regional members (Donors)</th>
<th>Regional members (mostly recipients)</th>
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<tbody>
<tr>
<td>1950</td>
<td>Australia, Canada, New Zealand, U. K.</td>
<td>Ceylon, India, Pakistan and Malaya (with Singapore and British Borneo).</td>
</tr>
<tr>
<td>1952</td>
<td>-</td>
<td>Burma and Nepal</td>
</tr>
<tr>
<td>1953</td>
<td>-</td>
<td>Indonesia</td>
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<tr>
<td>1954</td>
<td>Japan</td>
<td>Thailand and the Philippines.</td>
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Aid under the Colombo Plan is of two types, namely capital aid and technical assistance. In the case of the first, there are no "strings" attached. Recipients draw up their own projects, spend whatever they can on them and then ask for the balance from the donors. This assistance is mainly for development of

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Membership was further augmented in the later years with the addition of the Federation of Malaya (1957), Singapore (1959), South Korea (1962) and Bhutan (1962).
industry, power, fuel, agriculture, transport and communications. By the end of 1953-54, Australia had spent or planned the expenditure of a sum of £A 17.8 million, which was approximately 56 per cent of the total contribution of £A 31.25 million, pledged in December 1950 by the country. (35) The emphasis of Australian aid is on agricultural development and 54 per cent of the amount was spent on it, followed by 28 per cent on transport and communications, 15 per cent on social capital and 3 per cent on fuel and power projects. (36) In the matter of technical assistance, the accent is on the widest dissemination of skills and of specialized knowledge through the provision of (i) training programmes, (ii) experts and (iii) equipment. This aspect of the Plan is designed to create an "invisible base" for all economic development. By 1954, Australia had pledged to spend upto £A 3.5 million on Technical Co-operation Scheme. By the end of August 1954, 566 trainees had come to Australia and 73 experts had gone out of the country. Australia had also provided equipment worth £A 95,000 and, in addition, had agreed to supply to Indonesia with over £A 100,000 of equipment, which was to be delivered in next 12 months. (37)

36 Ibid.
37 These figures are from ibid., p. 117.
During 1951-1954, some progress was noted in the execution of the projects taken up under the Colombo Plan. A contemporary report of the Technical Co-operation Scheme (38) pointed out that by 1954, change from the planning to the execution of projects had made for a closer linking of both branches of aid under the Colombo Plan - capital aid and technical co-operation. Further, there was a tendency towards the combined operations involving all the three forms of technical co-operation - experts, trainees and equipment - alongwith capital aid. Among the experts too, the balance similarly changed from planners to managers, supervisors and foremen, although planners were still needed for new projects. New skills and knowledge created in Australia's Near North under the aegis of the Plan were bound to be of lasting value. The Consultative Committee itself asserted:

Not only is the stream of skill and knowledge from outside an increasing one; it is capable itself if handed properly of creating new sources of skill and knowledge in the countries concerned, so that its effect is multiplied. (39)

Australia and Aid to Asia

When Percy Spender came up before the conclave of Commonwealth statesmen with his "apparently unrehearsed proposal" for the Colombo Plan in 1950, he was also giving a new slant to his country's foreign economic policy. (40) From now on, Australia's policy was increasingly "a reflection of her domestic economic condition as well as the plight of under-developed Asia", (41) justifying its Prime Minister's claim that the new Government had "brought realism into our foreign relations". (42) Until then, however, the West had not developed a distinct aid policy towards the under-developed world, which was destined to become a new "White man's burden" to the cynic and "one of the biggest creative ideas of the twentieth century" (43) to others. In early post-war years, there was enthusiasm in America for UNRRA and Marshall Plan, though the latter was an ad hoc arrangement for

40 For the connotation of "foreign economic policy", see Spender in CDP, HR, vol. 206 (1950), p. 638. The foreign economic policy of a country, he pointed out, had two facets — obverse and reverse. It, firstly, represented external aspects of a nation's domestic economic policy and also, alternatively, represented economic aspects of its foreign policy.


43 Cited in Colombo Plan: Basic Information, n. 15, p. 4.
coping with a very real but *ad hoc* situation. Australia, however, had no positive thinking on the whole question of aid, until the Colombo Plan came into being at the initiative of its Minister for External Affairs. She was one of the very few nations of the world, which were not recipients of aid from America, the leader of the Western economy. Her own gift of £ 65 million to Britain between 1947 and 1949 created a very different reaction. Australia was then doing to its Mother nation what America, on a larger scale, was doing to the continent which was the cradle of its civilization. (44) Besides, the recovery of Britain was necessary to Australia's economy as well, which was not necessarily the case with Asia. So, when economic aid was extended to the neighbouring countries, voices of discord were raised in Australia, questioning the very idea of aid to Asian neighbours. In 1948, Fadden of the Australian Country Party felt that £ 5,000 spent every year on Indonesians and others would be better spent on Australian ex-Servicemen. (45) Two years later, Calwell

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44 Thus between 1 July 1945 and 31 December 1957, Western Europe received $ 24.9 billion in US economic assistance, while the whole of Asia and the Pacific received $ 8.4 billion in US economic aid (of which $ 5.4 billion went to Taiwan, Korea and Japan). *New York Times*, 7 December 1958. Similarly, the Australian gift of £ 65 million to Britain in these three years was more than what 14 countries of Asia received during the first thirteen years of the Colombo Plan. It was only £ 48 million.

of the ALP criticised the Colombo Plan on the ground that the "poor" Australians should be provided first. (46) Others cautioned against "the waste of resources and manpower in Asia" and pointed to America's experience in aiding Nationalist China. (47) As the years rolled on, such views as these, began to look outmoded and were less and less expressed. The tide of public opinion itself turned against such views.

Despite Spender's coup de théâtre in Colombo and the association of Australia with the first meeting of the Commonwealth Consultative Committee in Sydney, Australia started off with a very modest aid programme under the Plan. From now, the Department of External Affairs, it is stated, became the repository of experience and source of warnings, advice and encouragement, while the Australian Treasury and the Cabinet as a whole remained to set the upper limits on expenditure. (48) But the subject stimulated a national debate involving Parliament, Press and the

46  Ibid., (23 February 1950), p. 75. Also see Fadden's remarks on pp. 127-8.
47  Spender, n. 3, p. 239.
public. The discussion in Australia was mainly on the size of the Australian contribution and the rationale of it. The first has been a live issue ever since.

An influential section of Australian opinion, led by persons like Sir Douglas Copland,(49) criticized their country's aid effort on the ground that it was grossly inadequate. It was pointed out that an Australian, on an average, was twenty times as prosperous as his Southeast Asian neighbour, with his average annual income going up to £550 per year. Yet, he spent only twenty-five shillings per annum per head (six pence per week) on his aid to Asia,(50) where the real battle for Australia's future was on. There was no mistaking about the fact that problems of Asia were too vast and it was not possible, as was stated on the floor of Australian Parliament, "to beat out a roaring bush-fire with a few sprigs plucked from an olive branch."(51) The Leader of the Opposition, however, lent support to the Government's view that, whatever be the sacrifices, aid was certainly a policy

49 For his views, see Sir Douglas Copland, *Australia and the Changing World in Asia* (Melbourne, October 1957).
of enlightened self-interest.(52) But the enlightened self-interest also demanded that Australia showed its neighbours that she was sincerely involved in their socio-economic problems for years to come. But the Australian contribution, under the Colombo Plan, did not reflect this involvement. The Asians did not single out Australia for public comment on the inadequacy of its aid. One of them even praised the donor countries saying that "the significance of such friendly assistance far transcends its material value".(53) But informed Australians (as also, informed Asians) could not fail to notice that their own share of aid for their next door neighbours had been dwarfed by that of distant Canada. By the end of 1954, Canada had already contributed about 98.4 million Dollars (US), while Australia's share had been only 7.94 millions. The only tribute that Australia paid to geographical proximity was that she adopted a regional view and distributed resources among all the members of the Plan, which was not the case with Canada and, for that matter, the United Kingdom.(54) This lends credence to the learned opinion that "the history of Australia's participation in the Colombo Plan betrays

53 Quoted by the Minister for External Affairs, R.G. Casey on 4 June 1952. Current Notes, vol. 23 (June 1952), p. 313. The remark was of Indian Finance Minister, Chintamani Deshmukh.
54 The bulk of the Canadian aid went to India. Until 1954, Canada did not provide aid to Burma, Cambodia, Indonesia,
a reluctance to sacrifice national living standards
for an overseas welfare project from which political
dividends are nonetheless expected". (55)

After the inception of the Plan in July 1951,
no public figure came out with a denunciation of the
programme altogether. There was no evidence of isolation-
_ist sentiment opposing it, as in the United States. It
was urged, though on very rare occasions, that the Plan
be given lower priority in the face of more immediate
challenges. The Financial Review, for example, pointed
out in 1952:

The Colombo Plan will only achieve its
objectives if the threat from the
Communist armies is first sealed off.
Unless this is done, every penny put
into the Colombo Plan will be lost to
the free world. (56)

However, frequent warnings came from the Australian
Parliament against the possible misuse or mis-management
of the Colombo Plan funds by the recipients. (57)

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Vietnam etc. Similarly, Britain also did not provide
capital aid to Burma, Cambodia, Indonesia, the
Philippines and Thailand up to 1954. Singh, n.17, p.43.

55 Boyce, n.41, p. 240.

56 Financial Review (A Sydney Morning Herald publication),
Interests in and Attitudes Towards Economic Assistance
to Asia", in A.I.I.A., Australian Policies Towards

It is clear that not even enlightened self-interest on the part of Australia had been able to exact more than a token help to her closest neighbours. But, in fairness to the first Menzies Government, it may be said that Australia herself was passing through a transitional phase during this period. Her capital aid was not sizeable, for the simple reason that Australia was herself a capital-importing country. The era of economic prosperity, for which the Menzies Government will be known in Australian history, had not yet dawned. Thus, while the Government remained cautious, members on both sides of the House continued to press them for doubling and even quadrupling previous Australian contributions. They also urged that the Australians do something more than giving mere lip service to the Plan. The cauldron was kept simmering by Church and University groups. The demand of the latter for one per cent of national income as immediate target for Australian aid programme dates back to the period under review.

60 For a logical case on it, see Anthony Clunies Ross and others, One Per Cent : The Case for Greater Australian Foreign Aid (Melbourne, 1963).
The Rationale of the Plan

The Plan had all the amorphous characteristics of the Commonwealth of Nations. It had no in-built machinery to examine its basic concepts from time to time, as noted by an Australian political scientist, (61) and to authoritatively lay down the raison d' être of it. The Consultative Committee, with its business-like transactions once every year, did not make a serious attempt to underline the essential purposes and principles of the scheme. Soon, the Australian aid effort became "the sum total of a series of ad hoc country-by-country projects and programmes". (62) Thus it was left to the Australians themselves to ask if their aid harmonized with other aspects of foreign policy, fitted in with their political and defence aims, promoted their trade, nursed the growing institutions of regional co-operation and extended their ideals of material welfare beyond national boundaries.

The Colombo Plan, an Indian writer asserts, was "the first concrete attempt to organize some kind of regionalism in the economic sphere". (63) As a regional economic grouping, its purpose appeared to be

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61 Burns, n.48, p. 206.
62 Corbett, n.4, p.4
63 Sisir Gupta, India and the Regional Integration in Asia (Bombay, 1964), p.78.
running parallel to that of the ECAFE, which was a regional agency of the United Nations since 1947. Australia's membership of it was cited as an example of its regional identity with Asia. Was it not redundant to have a new aid mechanism in Colombo, it was asked, when the organization in Bangkok's Sala Santhitham was already functioning with its 22 members? Spender tried to meet this query. He pointed out that the membership of the ECAFE included China as well as Soviet Russia, thus widening the area of effort. It was also never intended that the ECAFE should be an aid-distributing agency in South and Southeast Asia. Lastly, an international programme of economic aid implied political and economic questions, which could not be discussed in ECAFE. These included vital questions, such as, the safeguard of the independence of the recipients on the one hand, and against discrimination and unfair treatment of the donors, on the other. The Colombo Plan thus became "one of the many instances showing general weaknesses of UN's system of international economic co-operation."(65)

To Australia and many other donors, the motivating factor was ideological. The Plan, innocuous to the non-aligned regimes in Asia, was in fact another long-range weapon in the armoury of the Western world in its confrontation with the rival creed of the Soviets.

65 Singh, n.18, p. 11.
It was listed as such in official handouts on the Colombo Plan. (66) Academic writings also found evidence of the belief that the Plan would under-write Western-style democracy in the Near North. (67) The country's Press also took up this line. The Sydney Morning Herald hailed it as democracy's most effective weapon against communism. (68) The Sun News Pictorial brought out a leading article on the theme two years later, stating:

Empty rice bowls may be no less potent than bombs in advancing Red doctrines. A programme of economic aid which would bring badly needed resources of food and raw material to ill-equipped areas may be no less potent than defensive pact in counteracting these doctrines. (69)

All political parties in the country recognized the efficacy of this argument and in 1953, Parliament

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See the concluding paragraph of Command Paper 8080, n.1, p.68. Also see New Hope for Asia, n.3, p.19. This publication stated: "... Stability in South and Southeast Asia is essential to the cause of freedom. If these countries failed to maintain and strengthen their free institutions, it would be a grave blow to the chances of a peaceful and prosperous world."

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Boyce, n.41, p 242. Also, H.S. Alhinski, Australia's Search for Regional Security in South-East Asia (Unpublished Ph.D. thesis, University of Minnesota, 1959), p.325. This thesis found evidence of the view that contacts through the Colombo Plan "would store up for the West an Asian feeling that liberal democracy was superior to Communism both as a political and as a socio-economic instrument."

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The Sydney Morning Herald, 10 September 1952. It further wrote: "A low standard of living and a depressed economy are the natural allies of Communism."
appealed for a Colombo Plan publicity campaign. (70) Members continued to voice the opinion that Australia should improve its relations with "Eastern" countries by telling their people what she was doing for them. (71)

For the Government, Spender clearly affirmed:

This Plan is a major part of the answer of the Western world to any questions which may be raised in the minds of the peoples of these countries by Communist influences. (72)

His successor, Casey, also took up the same position in his numerous statements and writings. (73) The argument that poverty bred communism was commonplace in a period of acute Cold War, when Communists, anti-Communists and "neutralists" had assumed rigid positions and were self-righteously justifying them. It required another decade to make mankind wiser to

72 In his Foreward to New Hope for Asia, n. 3, p. 6. Douglas Brass of the Sydney Daily Telegraph reported him as saying in Colombo in January 1950 that "if Australia does not take up her responsibility in South-East Asia she will some day pay tragically for her future." Spender, n. 3, p. 233.
73 R.G. Casey, Friends and Neighbours (Melbourne, 1954), p. 93. In this best-known of his works, he wrote: "Whilst we give adequate attention to the defensive arrangements, we cannot disregard economic conditions and problems. At the same time as we are guarding against external aggression, we must be on our guard against economic or political collapse from within."
the truth that communism spread when it could put enough military or para-military pressure over its victims and the latter require direct military support, rather than economic or technical assistance to ensure their survival.

If the anti-Communist argument was too long-range to appeal to some, there was a simpler argument that the Colombo Plan would enable Australia to develop amicable relations and helpful contacts with Asian States, whose policies and backgrounds were bound to be different from those of Australia. On the one hand, it would enhance the stature of White nations in Asia and, on the other, it would promote Australia's immediate economic and political interests in those countries. Southeast Asia used to occupy a key position in world trade until the Japanese "Greater East Asia Co-Prosperity Sphere" upset it. Australia, like other donors, had a vital stake in the restoration of the region to its former position in world trade. An "Austral-Asian Co-operative Association" was not ruled out, provided the southern continent developed its resources to the fullest extent not only for the benefit of its own people, but also of their northern neighbours.(74)

While suggesting this, it was pointed out:

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T.G.H.Strehlow, Friendship with South-East Asia: A Cultural Approach (Adelaide, 1956 ?), p.27. The book was originally written in 1954.
I believe there would be little need for us to fear an invasion from the north if we were in position to supply our northern neighbours with the goods they need, and if they had the necessary funds to buy these goods from us. (75)

Shortly after the period covered in this study, it was asserted by Sir Douglas Copland that "the relatively small annual cost of the Colombo Plan" had brought "intimate contacts between the Asian countries and the expanding Australian economy". (76)

The promotion of Australia's political interests was, however, a different proposition. It is true that the Plan helped Australian diplomacy in establishing rapport with officials and ministers in Jakarta or Phnom Penh, but this rapport came only after the donor's diplomatic skill had pierced through several layers of Southeast Asian sensitivity. Canberra understood this intricacy and acted with caution. It was well understood in Parliament that charity was degrading to the receiver and that "we shall not win the friendship of the leaders of the nations with whom we desire to be friends merely by giving them hand-outs". (77) Hence warnings were given lest the aid should appear as

75 Ibid., p. 28.
76 Copland, n. 49, p. 8.
patronage or charity. (78) But concessions to Southeast Asian sensitivity often put Australia, like any other donor, on the horns of a dilemma. The dilemma was implied in the complaint of an Australian political scientist that the desire to use the Plan aid as a means of creating better political relations prevented the donors from developing "proper" follow-up procedures to ensure that the assistance was used as effectively as possible. (79) It is difficult to know how exactly this conflict between expediency ("good relations with the regime") and conscience ("really effective implementation of the aid programme") was resolved when it occurred. But Malayan Cabinet's warning to the selection committee that Colombo Plan scholarship scheme must not be permitted to "sabotage" the Government's policy of Malayanization (80) provides an instance of the type of pressures to which a donor country may be exposed in South and Southeast Asia. Sometimes, this Australian tribute to

79 Instances of Australia's support to projects such as a zoo for Dacca and pedigree horses, which eventually found their way to Bangkok race course show that such procedures were lacking or were at least helpless before the demands of the recipients of aid.
80 Boyce, n. 41, p. 26. According to the policy of Malayanization, the prescribed ration between Malays and non-Malays was 4:1.
Southeast Asian sensitivity vitiated the main purpose of the Technical Assistance Programme. The Australian Mission had little or no say in the choice of the trainee, whose itinerary they had to chalk out. This trainee, being his Government's nominee, was usually a "senior", loyal, in-Service person with his own fixed ways of doing things. He came to Australia, saw something here and something there, always kept an eye on promotions back home and then went away, mostly unchanged. Australia did not, and could not, make him into an Asian New Frontiersman eager to rock the boat. Thus the battle against the old and outdated skills in South and Southeast Asia, the Australian officials found, was lost even before it was fought. Lastly, Australia's Asian neighbours viewed all aid with suspicion, how-so-ever mild it was. For example, Prime Minister Lee Kuan-yew of Singapore said, when he was Leader of Opposition:

And talking of subversion, here is subversion: Colombo Plan aid. I give you free milk shaker, then I sell you milk. Then I send my fellows along to test you for Royal Australian College of Surgeons membership. Then I help you in the fight against tuberculosis. We welcome all these things, but I think one must draw attention to the fact that, in this part of the world, the Australians are gently moving, in which the British are gently oozing out.(81)

81 Quoted in ibid., pp.236-7.
There were other motives also, some of them less perceptible. Australia not only used its aid effort under the aegis of the Colombo Plan in serving its policy objectives vis-a-vis Southeast Asia, but she also used it for the same purpose vis-a-vis Western Powers, particularly Britain and the United States. She had everything to fear from the isolationist and Europe-centric postures on the part of those Powers and used the Plan as a lever to keep them involved in Southeast Asia. This explains part of the Australian anxiety in 1950 to have the United States as a non-regional member of the Plan. The *Sydney Morning Herald* gave out the view of the Government in Canberra, when it wrote on 17 May that

> The Australian Government firmly believes that only in this way can the Conference convince the United States that British Commonwealth nations are prepared to make an initial financial contribution to securing political stability .... (82)

Australia had everything to gain from the attention of friendly Powers in Southeast Asia and welcomed, in no unambiguous terms, the membership of the United States

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82 *The Sydney Morning Herald*, 17 May 1950. Quoted in Spender, n.3, p.259. Also see Albinski, n.67, p.326. "The United States", he writes, "might read into the formation of the Plan signs of unity in Asia and the Pacific, and therefore as the foundation for a military alliance."
of the Colombo Plan in 1951. Casey urged his countrymen to contribute as much as possible, so that others might be encouraged to increase their commitments. He said: "... other countries, with command of much greater resources than Australia, are liable to become discouraged if we show signs of leaving the whole burden of aid to them."(83)

Almost since the V-J Day, Australians were aware that there were aspects of their Government's policies which would prevent any easy relationship that Canberra would seek with its Asian neighbours. They sincerely felt that they would have to take alternative measures to cushion the evil effects of such policies. At home, Australia had its "White Australia" policy, which exposed the Australians to the charge of racism, at least in the eyes of some less informed Asians. One rationale of the Colombo Plan was that if Australia shut its door to Asians and did not allow them to share its increasing prosperity, it should do something to keep them happy, if not tranquillised, wherever they lived. The Bulletin suggested Prof. Borrie's solution to Asian problems (moving resources to people instead of vice-versa), at least for the good of Australia if not of Asia.(84)

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It was felt that internationally, the stigma of racism would not hold good, if Australians were able to sit with the representatives of the brown and yellow peoples of South and Southeast Asia without inhibitions and talked over a concrete Plan to achieve the former's welfare. Internally, the utter lack of racial discrimination among individual Australians could be of enormous advantage in building up a stock of goodwill for Australia in South and Southeast Asia. The experiences of the returned trainee would disprove any charge of racial prejudice made by less informed people in the neighbouring countries. Though Spender, as far as known to this writer, did not cite the mitigation of the effects of his country's immigration policy as a motive for the Colombo Plan, others in Australia appeared to see some relation between the two. Only a few years after the period covered by this study, the Minister for Immigration (Downer) showed that the Government was relying largely on the Colombo Plan in attempting to narrow the gap between Australia's foreign policy of friendship with Asia and her domestic White Australia policy. (85) This has, in fact, been the official Australian view at least until 1966. (86)

86 Ibid., p. 132.
Thus the arrival of Asian students in ever increasing numbers in the Australian campuses and training institutions was hailed as a welcome development by all shades of opinion. (87)

Abroad, there was yet another aspect of Australian policies, the evil effects of which on Australia's rapport with Southeast Asia were to be cushioned. As Australia entered into military pacts with the United States and pro-West regimes in South and Southeast Asia, she realized the conflict of two aspects of its policies in respect of the Colombo Plan and military alliances. The new alignments created by military approach were dividing Asia into two unequal parts, with only a minority comprising ten per cent of the total population of the Near North joining Australia in the SEATO Pact. (88) To the rest, these pacts were anathema. The Colombo Plan could, therefore, serve as the only cool breeze in the Indian summer of Cold War as experienced in Asia and Australia's one remaining link with the non-aligned realm. An American scholar has also subscribed to this view, saying


88 Copland, n.49, p.13.
... If Australia and other donor countries could be cast in the role of generous givers who did not insist on political concessions as repayment, then Asian suspicions of pacts and armies might be lessened. (89)

This was, however, a minor concession to the susceptibilities of non-aligned Southeast Asia in the over-all Australian policies. Otherwise, this author is in agreement with the statement by an Australian political scientist that, on balance, Australia has shown considerably less enthusiasm for the institutions of international economic co-operation than it has for regional security pacts. (90)

How far did humanitarian motive affect Australian allocations under the Plan? The Australian Parliament has witnessed frequent outbursts of public sentiments on Asians' miseries. But the fact remains that the people are more humanistic than their Governments, and this is true of Australia as well. (91) The conclusions on motives of the American aid, in this respect, apply to the Australian aid also. (92)

89 Albinski, n.67,p.325.
91 On this, see the views of Deputy Prime Minister in CPD, HR, vol. NS6(1955),p.536. He denied that feeding the millions in Asia was his country's first responsibility and elaborated other more important reasons for the Colombo Plan.
This author, therefore, is in agreement with the Australian scholar, who wrote:

... it would be extremely difficult to prove that the humanitarian motive was ever very dominant in Australian foreign-aid planning. (93)

But this is not meant to imply that the people of Australia were lacking in idealism and humanitarianism. Perhaps they had more of it than some of the Asians whom they were seeking to benefit. But it was not reflected in the policies of their Government. It was reflected in the ordeals of their young men, the very flower of the Australian youth, who volunteered to live and work in Indonesia as Volunteer Graduates and to establish their common humanity with the Indonesian people. If a future historian looks for examples of Australian idealism and humanitarianism, he will find it in the operation of this Scheme, if nowhere else.

92 For conclusions on motives of the American aid, see C. Wolf, Foreign Aid: Theory and Practice in Southern Asia (Princeton, 1960), p. 282. The author has asserted that "... humanitarian objectives have played only a confirmatory, and hence superfluous, role in government aid decisions affecting inter-country and inter-program allocations."

93 Boyce, n. 41, p. 237.
Australian Volunteer Graduates in Indonesia

The Volunteer Graduate Scheme (V.G.S.) is the same given to the international agreement, under which the Australian Government pays the fares and certain minor allowances of young Australians accepted for employment by the Indonesian Government on the same basis as its own Government servants. But for this and for the moral support it gets from the Australian Government, the Scheme is wholly a privately-run and voluntarily-operated affair. Under this scheme, the Australian Graduate becomes Indonesian Pegawai(94) (employee, official or worker) and is paid on the basis of P.G.P.N., the standard pay scale of the Indonesian Government. When the office closes in Indonesia at 2 o'clock in the afternoon, the Australian Pegawai, like many of his Indonesian colleagues, usually adds to his P.G.P.N. salary by working extra hours, mostly teaching English to individuals or groups, which is very much in demand. He declines to accept the standard of living traditionally demanded by European residents in Asia. The height of the idealism of these young men is revealed from the fact that when their own Government was willing to add a bit to their salaries to make it

94 Pronounced as P'GAH'WY. The term "PEGAWAI" has also come to stand for "Plan for the Employment of Graduate Australians to work as Indonesians."
a reasonable living wage, the offer was refused. (95)
Since the scheme was launched, a number of young
teachers, doctors, engineers, Botanists and other
specialists have cheerfully endured the rigours of
living in a developing country, as lived by its own
people. At least two of them have established world
reputations - Dr Vernon Bailey for his work on
tropical nutritional problems and Dr Herbert Feith
for his writings on Indonesian Politics and Government.
If the Colombo Plan was an example of the Government's
effort to meet the challenge of Asia, the Scheme
represented the People's effort in the same direction.

(a) Origin of the V.G.S. The Scheme was born
in a rather queer way in August 1950 in some obscure
spot - a street corner or, may be, a tea shop-in
Bombay. Two Australian delegates to the conference of
International Student Service once met two fellow
delegates from Indonesia. During their conversation,
it was suggested by the Indonesians that perhaps some
young Australians would care to visit Indonesia and
contribute their interest and skill towards the
reconstruction and development of the country. Little
did the foursome know that they were contributing a
wholly new idea to the world - the idea of the Peace Corps.

95 Ivan Southall, *Indonesia Face to Face* (Sydney, 1965),
p. 80.
The two Australians - John Baylay and Alan Hunt - brought back the idea to Melbourne, where a small Committee was set up to further explore the possibility. The Committee had the backing of the National Union of Australian University Students (NUAUS). One of the group, Herbert Feith, was already in correspondence with Molly Bondan, the Australian wife of an Indonesian ex-"evolutionary. In July 1951, "Herb" paid his own way to Indonesia and gained employment with the Ministry of Information in Jakarta. He thus pioneered the field and did a great deal of negotiating at the Indonesian end. (96) The seed casually dropped in Bombay now began to sprout. The next year, two more pioneer graduates, Ollie McMichael, a radio engineer of Sydney, and Gwenda Rodda, a bacteriologist of Melbourne, also provided their own fares and gained employment in Jakarta. In November 1952, the Governments of Australia and Indonesia signed an agreement on the Scheme. Next year, the voluntary organization was put on a more regular basis with a

96 Herb Feith and the early pioneers are among those Australians, whose services are affectionately remembered in Indonesian official publications. See, for example, Republic of Indonesia, Ministry of Information, Indonesia Through Foreign Eyes (Djakarta, 1957), vol.II/3.
standing committee of three (Betty Evans, Don Anderson and Jim Webb), recognized by the NUAUS. In a later period, a permanent Volunteer Graduate Association for Indonesia was created.

(b) The Working of the Scheme. Since its beginning in 1950, the Scheme has been operated by a National Committee in Melbourne on a shoestring budget, with honorary office-bearers working spare time. It is helped by committees in State capitals and local committees in University towns of Armidale and Newcastle. These help with the orientation and language training of a prospective Volunteer Graduate. There is another committee in Jakarta, which maintains liaison with authorities in Jakarta involved in the placement of these volunteers. The National Committee publicises the Scheme through Djembatan, its quarterly newsletter. Though the early enthusiasts muddled their way somehow to become Indonesian Pegawai, procedures were streamlined after the Australia-Indonesia Agreement of 1952. (97)

97 Since then, applications are made to the Indonesian Embassy, which approaches the Australian Government for formal approval. The applicant is then interviewed by the Australian Ministry of External Affairs, which arranges for his medical examination as well. After the concurrence of the Government in Canberra, the application is forwarded by the Embassy to Jakarta for placement. After this, the Australian Government is out of the picture. All told, its liability is limited to the following only:

a) Payment of first class fares to and from Indonesia.
b) Clothing and equipment allowance of £A 80.
c) The provision of a bicycle.
(c) **Significance and Achievements.** The purpose of this section on V.G.S. is not to minimize the importance of the Colombo Plan. In fact, the Scheme could manage to send only eight Graduate Volunteers to Indonesia upto 1954, though its work increased many-fold in the subsequent years and, besides, it inspired movements such as Community Aid Abroad, which benefited Asian countries other than Indonesia also. But there is no gain saying the fact that this Scheme, conceived and operated by the Australian youth, marked a new approach towards Southeast Asia. The Indonesians, used to seeing the White man as the notorious Tuan Besar, saw a new type in the Volunteer Graduate and the latter was conscious of it. The briefings brought out by the National Committee for the guidance of intending volunteers admit that "We are 'Europeans' but we live in Indonesian milieu. Both Indonesians and Europeans often think us a little queer and hard to 'account for.'"(98) The

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98 Volunteer Graduate Association for Indonesia, The Volunteer Graduate Scheme for Indonesia: An Account of the Scheme and the Life in Indonesia for Volunteer Graduates (Melbourne, 1962), edn. 4, mimeographed, p. 6.
National Committee expected the volunteer "to become involved in what is happening in Indonesia, in part as a sympathetic observer, in part as participant." (99) Many in Australia questioned the wisdom of social workers going out slumming. But the advantage that the Australian volunteer had was that he was not cut off from the people with whom, and for whose welfare, he worked, as was the foreign "expert", who lived in air-conditioned apartments in the East and demanded Western pay and facilities there. In fact, to the Asian people, these new "Eastern Nabobs" are becoming increasingly distasteful. At the same time, the Australian volunteer was also not a petty job-seeker. Instructions he had were very clear:

This is the essence of our Scheme; we want to fill the gaps, we do not want to wriggle into the main structure. We must never allow it to be felt that a volunteer has deprived an Indonesian of a job. (100)

The seed of "identification" was sown when the Australian accepted the same pay as his Indonesian colleagues. Leading Indonesians have also acknowledged this. Subandrio himself once said:

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99 Ibid.
100 quoted in Southall, n.95, p.94.
... there are Australian doctors who do not want to be on a contract basis but want to be employed on a government salary, which, I assure you is not much. (101)

In its effect too, the V.G.S. was on a different plane than the Colombo Plan. Father Tucker, the Victorian Director of the Food for Peace Campaign, once underlined this difference when he wrote that the Colombo Plan was, from the outset, somewhat suspect, because it came from the Governments and this suspicion had increased with the years. He felt that the Volunteer Graduate Association had shown the way in this respect. (102) A somewhat similar observation was made by Usha Mahajani, an Indian scholar. (103)

Such a modest voluntary effort could not have spectacular demonstrative effect, (104) but its symbolic effect was considerable. The National Committee has confessed:

101 Ibid., p.215.
102 Cited in ibid., p.78.
103 Usha Mahajani, "Is Australia a Part of Asia?", The Australian Quarterly, vol.36, no.2 (June 1964), p.32. "Total freedom from political motivations", she wrote, "has enhanced the effectiveness of the volunteers' work and their acceptability among the recipient people."
104 The V.G.S. could not, in fact, answer all the needs of Indonesia. The latter asked for 60 teachers, but 5 were sent. Where 20 engineers were asked for, none was sent.
Many of us have found ourselves confused in the maelstrom between the two cultures, and some of us have come at times to be deeply lonely. (105)

But these very people became the "real engineers of the bridge of friendship between these seemingly different worlds". A leading Indonesian Minister told the author of Indonesia Face to Face: "We like these young people because they don't have tickets on themselves. They do what they come here to do without fuss or publicity." (106)

The Scheme, though on a modest scale during the period covered by this study, had significant effect abroad. A parallel movement was established in New Zealand. Canadian Service Overseas was partly inspired by the Australian scheme. In England, the work of the Scheme was known to at least some people who launched the British Voluntary Service Overseas programme in 1958. Sir Paul Sinker, Director-General of the British Council, was right, when he said in 1964 that the Australians were responsible for inventing the Peace Corps idea, (107) for the Australian scheme was at work years before any other national programme started.

105 Volunteer Graduate Association, n.98, p.7.
106 Southall, n.95, p.240.
107 Ibid., p.242.