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Siam - Australian political relations with

451/3/1/2

FILE No. ~~411/3/4~~ 411/8/4

DEPARTMENT OF EXTERNAL AFFAIRS.

South-East Asia Section.

SUBJECT.
~~Burma~~: Edmund Jarvis 1

PREVIOUS FILE:	
NEXT FILE:	

RELATED PAPERS.	
FILE No.	SUBJECT.
411/3/7	Burma: Sale of arms by Australia

4741... By Authority: L. F. JOHNSTON, Commonwealth Government Printer, Canberra.

FILE No. W51/3/1/2

DEPARTMENT OF EXTERNAL AFFAIRS.

South East Asia Section.

BASEMENT

SUBJECT.
SIAM :- Australian Political Relations with...

BASEMENT

PREVIOUS FILE:	
NEXT FILE:	402/1/1

R.P.

RELATED PAPERS.	
FILE No.	SUBJECT.

1287.... By Authority: L. F. JOHNSTON, Commonwealth Government Printer, Canberra.

Siam
1/ Aust rels
2/ Aust Commercial rels

For Mr. Harry :

Reference Telegram No. 61 from Bangkok.

If proposal for establishment of a Legation at Bangkok is approved, the next step in improving our relations with Thailand might be the conclusion of a treaty of Commerce and Navigation.

2. The following clauses of the Anglo-Thai Treaty (of 1938) are of interest :

Article 1 -

.....

(2)-

(a) The subjects of each High Contracting party shall be permitted in the territories of the other to acquire, inherit, possess, lease and occupy property, movable or immovable, subject, however, to the right of the latter High Contracting Party -

(i) to make the acquisition or leasing of immovable property in his territory by foreigners subject to such conditions as are or may be established for reasons of national security or otherreasons of public policy;

(ii) to impose such restrictions as he may think fit in regard to the acquisition of vessels flying his national flag or aircraft on his national register and shares in such ships and aircraft.

In all the matters referred to in this sub-paragraph, the subjects of each High Contracting Party shall receive, in the territories of the other, treatment not less favourable than that accorded to the subjects or citizens of any other foreign country.

.....

Article 24. -

(1) The High Contracting Parties agree that His Majesty the King and Emperor may by notification given through the diplomatic channel accede to the present Treaty in respect of any Member of the British Commonwealth of Nations whose Government may desire that such accession should be affected. Any such accession shall take effect as from the date of notification thereof.

3. Article X of the Australian Thai Peace Treaty reads :

(1) The Government of Siam undertake to negotiate with the Government of Australia if requested to do so a Treaty of Establishment, Commerce and Navigation and a Consular Agreement upon a basis of reciprocity. In such treaty and agreement Australians will be given rights and treatment not less favourable than those

45/1/3/1/2

given to subjects and citizens of any other country.

(2) Pending completion of such Treaty of Establishment, Commerce and Navigation and such Consular Agreement, the Government of Siam will -

(a) accord to Australian commercial, industrial and maritime interests treatment not less favourable than that accorded to similar interests of any other country; and

(b) accord to any Australian Consular representatives who may be appointed to reside in Siam rights, privileges and immunities not less favourable than those accorded to similar representatives of any other country.

4. Accession to the Anglo-Thai treaty would appear to be procedurally simple, and would secure for us all the advantages we could hope for from a separately negotiated treaty. However, Article 1. (1) (a) may not be considered acceptable by us. It is as follows :

(1) The subjects of each High Contracting Party shall be entitled -

(a) to enter, travel and reside in, and to leave the territories of the other High Contracting Party so long as they satisfy and observe the conditions and regulations applicable in such territories to the entry, travel, residence and departure of all foreigners;

5. The difficulties experienced by A.C.I. Ltd. in acquiring a factory site underline the desirability of concluding a suitable treaty with the Thai Government to secure for Australian nationals adequate commercial rights in Thailand. No initiative can be taken until we decide to establish a Legation there but, once that decision is taken, Loomes should be instructed to discuss the question informally with the Thai Government and report on their attitude.

South East Asia Sub-Section.
(TWC:UD)
11/5/51.

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM.

A.P.M.G.

I. 6430.

Dated: 7th April, 1951
1200.
Rec: 8th April, 1951.
0330.

DECODE UPON:

Australian Consul-General,
BANGKOK.

Sc. PRIORITY. UNCLASSIFIED.

A daughter was born to the Queen of Siam on April 5th. I am in anticipation of your approval, conveying an appropriate message of congratulations on behalf of the Australian Government.

- - - - - - - - - - - - - - - - - -

Min. & Dept. E.A.
P.M.'s.

9th April, 1951.

451/3/1/2

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM.

RESTRICTED.

ACTION COPY

JERC/MG

I. 384

Dated 8th January, 1951
1740
Rec'd 9th January, 1951
0830

CODED FROM:

Australian Consul General,
BANGKOK.

7. RESTRICTED.

Your memorandum 245 December 20th.

Exchange of Diplomatic representatives.

I discussed the question with the under-secretary of State for Foreign Affairs, Prince Wongsa, today and first reaction not favourable. He placed much stress on the "rebuff" suffered by the Thailand Government by earlier refusal to exchange Legations and he felt there would be much opposition in the Cabinet to the proposal. I pointed out the Australian policy of close co-operation with this country and our desire for close and friendly relationships which would be strengthened by an exchange of Diplomatic Missions. Prince Wongsa promised to discuss the question with the Minister for Foreign Affairs, who had not mentioned the approach by Sir Keith Officer, and inform me further on the subject.

- - - - - -

MIN. & DEPT. E.A. (451/1/1)
P.M.'S.

9th January, 1951

451/3/1/2

DISTRIBUTION
Secretary /
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E.R. /
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L.C. /
ANT.
ADM.
A/Ca
EX-[illegible]

DEPARTMENT OF EXTERNAL AFFAIRS
REC'D 10 JUL 1950
File No.

File No. 40/9/1.
Memo. No. 218/50.

AUSTRALIAN CONSULATE GENERAL.
BANGKOK. ~~SIAM~~ Thailand.

3rd July, 1950.

MEMORANDUM for:

The Secretary,
Department of External Affairs,
CANBERRA. A.C.T.

I refer to my memorandum 205/50 of 27th June, 1950, (Your file No. 451/3/1/2) with which I forwarded a copy of the message conveyed to the Thai Minister of Foreign Affairs on the occasion of the National Day of Thailand.

I now enclose for your information copy of the reply which I have now received from the Foreign Minister.

CONSUL-GENERAL.

Encl.

FOREIGN 451/3/1/2

(COPY)

No. 11485/2493

Ministry of Foreign Affairs,

Saranrom Palace,

30th June, 1950.

Sir,

I have the honour to acknowledge the receipt of your letter of the 23rd instant, in which you are kind enough to convey to His Majesty's Government felicitations and good wishes of the Government of Australia on the occasion of the Thai National Day.

In reply, I have not failed to transmit the kind felicitations and good wishes to His Majesty's Government, and I am to express their deep appreciation of this fresh mark of goodwill of the Government of Australia towards Thailand.

While reciprocating the desire of the Government of Australia to maintain and strengthen the cordial relations existing between the two countries, I would, in my turn, request you to convey to the Australian Government the best wishes of His Majesty's Government for the continued welfare of Australia.

I avail myself of this opportunity to renew to you, Sir, the assurance of my high consideration.

Warakarn Bancha
Minister of Foreign Affairs.

Monsieur Allan Henry Loomes,
Consul-General for Australia,
BANGKOK.

File No. 40/9/1.

AUSTRALIAN CONSULATE GENERAL,
BANGKOK, ~~SIAM~~ Thailand.

Memo. No. 205/50.

27th June, 1950.

DEPARTMENT OF EXTERNAL AFFAIRS
3 JUL 1950

MEMORANDUM for:

The Secretary,
Department of External Affairs,
CANBERRA. A.C.T.

I refer to your memorandum No. 102 of 14th June, 1950 (File 451/3/1/2) concerning the message of congratulation on the occasion of the National Day of Thailand.

I enclose a copy of the message which has been addressed to the Thai Minister of Foreign Affairs.

CONSUL-GENERAL.

1 Mr Shann D
2. Mr Eastman Adv. 4/7
3. Mr Beasley
Encl.
4. H.S To file.

4/7/50

451/3/1/2

Australian Consulate-General,

Bangkok.

23rd June, 1950.

Sir,

In the name of the Australian Minister for External Affairs I have the honour and pleasure on the happy and auspicious occasion of the National Day of Thailand to convey through Your Excellency to His Thai Majesty's Government the felicitations of the Government of Australia and their wishes for the continued peace and prosperity of your country.

The Government of Australia is gratified to note the cordial relations existing between Thailand and Australia and look forward to their continuance in the future.

I have the honour to be

With the highest consideration,

Your Excellency's obedient servant,

(A.H. Loomes)
CONSUL-GENERAL.

His Excellency

Nai Worakarn Bancha,

Minister of Foreign Affairs,

BANGKOK.

DUPLICATE.

File No. 40/9/1.

xxxx Thailand.

Memo. No. 205/50.

27th June, 1950.

MEMORANDUM for:

The Secretary,
Department of External Affairs,
CANBERRA. A.C.T.

I refer to your memorandum No. 102 of 14th June, 1950 (File 451/3/1/2) concerning the message of congratulation on the occasion of the National Day of Thailand.

I enclose a copy of the message which has been addressed to the Thai Minister of Foreign Affairs.

CONSUL-GENERAL.

Encl.

FILE COPY

BW/CG

451/3/1/2
~~151/75/1~~

14th June, 1950.

Memo. No.

MEMORANDUM:

The Australian Consul-General,
BANGKOK.

I refer to Administration Circular No. 40/50 of 19th April, 1950, in which Heads of Missions are requested to convey, in the name of the Minister for External Affairs, messages of congratulation to the Foreign Minister of the country to which they are accredited.

2. I should be glad if you would send appropriate messages on the occasion of Thailand's Constitution Day which falls on 24th June, 1950. Copies of the messages should be sent by air mail to the Department.

(Patrick Shaw)
for Secretary.

451/3/1/2

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM. **SECRET.**

DBB:KC

I.5147.

Dated: 8th April 1950.
1101.
Recd: 9th April 1950.
0900.

DECODE FROM:

Australian Consul General,
BANGKOK.

40. UNCLASSIFIED.

Royal Marriage.

Understand King and future Queen will accept wedding presents from diplomatic corps. They would like pieces of national music (sheet music for piano) from each country. Presentation will be made in box made locally.

Grateful if you could obtain good quality sheet music (perhaps collection of Australian songs) and forward by earliest air bag to arrive not later than April 24th.

E.A.
P.M.'S DEPT.

9th April 1950.

H.S.

Copies received
Secretary
A.R.P.
E
M.E.
A
L.C.
P.I.
Pac
A.N.T.
Ceylon

851/3/1/2

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM.

ACTION COPY

AP:JS.

O.4232.

DECODE TO:

Dated 28th March, 1950.

AUSTRALIAN CONSUL-GENERAL,
BANGKOK.

30 UNCLASSIFIED.

Please convey appropriate messages of congratulations from the Prime Minister, Government and the people of Australia on the occasions of the King's coronation and marriage.

E.A.
P.M.'S DEPT.

28th March 1950.

Copies received

Secretary
ASP.
E
ME
A
IA
PM
Pac.
ANT
UN
ME
Adm
A.ss
Econ

45/3/1/2

DRAFT TELEGRAM.

TO AUSTRALIAN CONSUL-GENERAL, BANGKOK

Date

No.

Please convey appropriate messages of congratulations from the Prime Minister, Government and the people of Australia on the occasions of the King's coronation and marriage.

Authorised by:

Distribution:

BW/CG

DRAFT TELEGRAM.

TO AUSTRALIAN CONSUL-GENERAL, BANGKOK.

Date

No.

Minister for External Affairs will announce at 7 p.m. on 17th March raising of status of missions between Australia and Netherlands from Legation to Embassy, and exchange of diplomatic missions on Embassy level with Indonesia and on Legation level with Philippines.

2. You might intimate informally to Siamese Minister for Foreign Affairs that Australian relations with Siam have not been overlooked. Now that a mutually satisfactory settlement of outstanding questions seems to be within measurable sight, it is our hope that in a short time we can discuss exchange of diplomatic missions between Australia and Siam on a Legation level.

PS/CG

Authorised by:

Distribution:

A5113/1/2

EXTERNAL AFFAIRS.

FOR THE SECRETARY:

The Siamese Government will be grieved by the announcement of our exchange of Legations with the Philippines. Difficulty about the Philippines has been given as a past reason for resisting an exchange of diplomatic missions with Siam. Loomes has already reported on the coldness of his reception by the Minister and Ministry of Foreign Affairs in Bangkok.

2. In all the countries in which Australia is now represented Siam is the only sovereign state to which we have accredited a Consul-General as our highest representative. Its importance in South-East Asia is comparable to the Philippines. Whatever our feeling about their war record may be, we must have relations with them.

3. On the other hand, we cannot retreat completely from the stand taken a few months ago that the exchange of diplomatic missions could not be considered until war damage claims have been settled.

4. We can at least let Siam know that they have not been overlooked and that we ultimately look to the exchange of diplomatic missions.

5. Please see draft telegram and statement setting out past discussions on this subject.

PS/CG.
16th March, 1950.

DRAFT.

AUSTRALIAN/THAI RECIPROCAL DIPLOMATIC REPRESENTATION.

History of Negotiations.

Mr. A.J. Eastman arrived in Bangkok in September, 1946 as Acting Consul-General. It was made clear to the Thai Government at the time that since the appointment was only of a temporary nature, Mr. Eastman's duty being specifically to deal with matters arising out of the Peace Agreement, Thai entitlement to reciprocal representation in Australia could not be acknowledged.

Despite this understanding, the Thai Government immediately approached Mr. Eastman informally concerning the establishment of a Thai Legation in Australia, and in the following month requested that their proposal be communicated formally to Canberra.

The Thai Government was informed in January 1947, in reply to their request, that no decision could yet be made since Parliament was in recess. The Government's reasons for despatching this reply were:-

1. shortage of staff;
2. reluctance to accept the Thai proposal before Parliament had considered the peace treaty.

The Thai Government then requested that, pending a decision on diplomatic representation, consideration be given to the acceptance by Australia of a Thai Consul-General. This request was repeated on a number of occasions by both the Thai Minister for Foreign Affairs and the Thai Ambassador to the United States in Washington. In September, 1947, the Thai Government was advised that the Australian Government agreed to this proposal. In November, 1947, the Pibul Songgram Government came to power by coup d'etat.

~~Australia did not resume formal diplomatic relations with Thailand until July, 1948.~~

Australia did not resume formal relations with the new Thai Government until July 1948.

On learning of Australia's decision to resume formal relations, the Thai Foreign Minister stated that since recognition of the new regime by Australia had been delayed, funds could not be made available to establish the Thai Consul-General in Australia before 1948. He then inquired whether Australia intended to establish a Legation in Thailand and intimated that if such was the Australian Government's intention the Thai Government was anxious to establish similar representation in Australia.

451/3/1/2

Shortly afterwards the Thai Prime Minister expressed the hope that an exchange of legations would soon be effected and added that he hoped that when Australia was in a position to establish a legation in South-East Asia, Thailand would be the first country honoured.

In March, 1949, the Thai Government informed the Australian Consul-General at Bangkok that a Thai Consul-General was shortly be established in Australia. Funds for this purpose had been appropriated in November, 1948.

The Thai Foreign Minister stated in June, 1949, that while the Thai Government would not press for an exchange of legations, if, when the Thai Consul-General had been established in Australia, the Australian Government desired to suggest raising the status of the respective posts, the Thai Government would receive the proposal favourably. The Consul-General reported that the Thai Minister was still most anxious to obtain an exchange of legations but, having received little encouragement, had suggested Australia now take the initiative.

On 24th June, 1949, the Thai Government applied for a diplomatic visa for Luang Phinit proceeding to Australia as Consul-General. The visa was authorised.

In August to Thai Under-Secretary for Foreign Affairs called on the Australian Consul-General to say that the Thai Government would prefer Luang Phinit to go to Australia as a Minister rather than as a Consul-General. In support of this proposal the Thai Under-Secretary referred to Phinit's seniority and experience, the inadequacy of the status of Consul-General where important matters had to be discussed with foreign Ambassadors and Ministers in Australia and the desire of the Thai Government to appoint a Minister in recognition of Australia's international standing. He added that should Australia be unable to raise the status of her representative in Thailand the Thai Government was nevertheless anxious to send a Minister to Australia.

Pending the conclusion of these renewed negotiations, the despatch of Phinit to Australia was deferred.

On 14th September, 1949, in London the Thai Ambassador delivered to the Acting High Commissioner a formal note proposing that representation between the two countries be raised to Ministerial rank. The stated grounds for this proposal were that relations between the two countries were mainly of a political nature.

The Australian Government in a note handed to the Thai Ambassador on 2nd November replied that in its view the proposed exchange of diplomatic representatives should properly await the satisfactory completion of negotiations currently proceeding in respect of war damage claims.

Shortly afterwards the Thai Foreign Minister announced publicly that the Thai Government had abandoned its plan to appoint a Consul-General to Australia. The Minister subsequently explained to the Australian Consul-General, Bangkok, that the Thai Government was most disappointed by the treatment given to them by the Australian Government. A considerable amount of publicity unfavourable to Australia was subsequently given in Thailand to what was regarded as "this rebuff" by Australia.

On 29th November, in reply to a question in the Senate, the Foreign Minister stated that it would not be seemly if for Thailand to retaliate rashly in the matter of the Australian note when there was still hope of reaching an amicable understanding.

The Australian Consul-General in Bangkok suggested shortly afterwards that the Thai Government be informed that Australia would be prepared to accept a Thai Minister immediately after satisfactory settlement of outstanding claims.

However in January, 1950, an item of Tcs 400,000 which it had been proposed to appropriate for the establishment of a Thai Consulate-General in Australia was deleted by the Budget Committee of the Thai House of Representatives.

Conclusions

The Government of Thailand has been pressing since 1946 for exchange of diplomatic missions with Australia and has been offended by our persistant rebuffs. They were particularly offended when we told them bluntly last year that establishment of diplomatic relations would have to await settlement of war damage claims. There is little doubt that they will take as a further rebuff the fact that we have reached agreements for diplomatic exchanges with Indonesia and the Philippines without any similar approach to them. This, added to the many other matters which have clouded our relations with Thailand since the war (see notes prepared by Mr. Eastman) could lead the Thais to regard us in a most unfriendly light.

America," he shouted.

AUSTRALIA ASKED TO IMPROVE LINK WITH SIAM

(A.A.P. - Reuter)

SINGAPORE, Friday.

The United States has requested Australia to improve her relations with Siam.

It is learned from reliable diplomatic sources in Bangkok that the United States is urging this as a strengthening influence in a positive United States policy towards South-East Asia.

Australia has been informed that incidents resulting from the White Australia policy and Australia's supposed "die hard" attitude towards Siam, as a former ally of Japan, require obliteration in the interests of wider Western unity with non-Communist Asian Governments, it was stated.

Diplomatic sources attribute the origin of the United States request to possible Siamese diplomatic efforts to bring pressure to bear on Australia to adopt a more accommodating attitude towards Siam.

Highly placed Siamese Foreign Office officials said that Australia's refusal to accept the initiation of diplomatic relations on a legation level had "deeply offended" the Siam Government.

corresponding increase in clothing.

C/Canberra

26/1/50.

Brit. Relations with Siam

451/3/1

JWB/BT.

CANBERRA. A.C.T.

21st December, 1949.

Dear Mr. Smith,

I am in receipt of your letter of 19th December and the attached letter describing the attitude of the Thai Government to Australia.

I am aware broadly of the history of our relations with Thailand, but I am making detailed enquiries as to the present position. The question of exchange of diplomatic representatives is one which I shall have to examine on my return from Ceylon.

Yours sincerely,

(P. C. Spender)
MINISTER FOR EXTERNAL AFFAIRS.

W. J. Smith, Esq.,
Australian Consolidated Industries Ltd.,
Dowling Street,
WATERLOO. N.S.W.

3/11/50 21/12/49

451/3/5

'PHONE
MX3381

AUSTRALIAN CONSOLIDATED INDUSTRIES LTD.
DOWLING STREET,
WATERLOO, N.S.W.

WJS.AB

19th December, 1949

The Hon. P. C. Spender,
Minister for External Affairs &
External Territories,
Parliament House,
CANBERRA A.C.T.

Dear Mr. Spender,

Our representative in Bangkok, Mr. W.L. Meyer, of Berli, Jucker and Company, who are very big and important Merchants in the territory, recently had occasion to discuss some business on our behalf with His Excellency, Nai Sukit Nimanhaemintr, Minister of Industries. Our Singapore Works supply that country with its glass container requirements, and a proposition was discussed whereby my Company would establish a Glass Works in Thailand.

In view of your appointment to the Office of Minister for External Affairs and External Territories, you may be interested in reading the attached copy of a letter which I have just received on the subject, together with newspaper cuttings, and I am sure you will agree they further confirm your claims of the harmful effect of the policy of the late Government.

Kind regards,

Yours truly,

W. J. SMITH.

Encl.

be put into operation this incident will have been forgotten. Nevertheless, the incident certainly does not help your scheme and it might be advisable for your Australian Company to do whatever possible to influence the Australian Government in coming to an amicable settlement with te Tahi Government.

Yours faithfully,

BERLI, JUCKER & COMPANY,

Import Department

(sgd) W. L. Meyer.

COPY OF CABLE DATED 28th November, received by SINGAPORE GLASS MANUFRS. CO. LTD

"OUR OPTION MINISTER INDUSTRY EXPIRES WEDNESDAY PLEASE CABLE DECISION OTHERWISE HOW LONG MUST OPTION BE EXTENDED"

CABLE IN REPLY, DATED 29th 29th November :-

"FIRST OPPORTUNITY DISCUSSING WITH MANAGING DIRECTOR THAILAND PROJECT THIS MORNING PLEASED NOW ADVISE MINISTER INDUSTRY WE WILLING PROCEED ON SIMILAR LINES THOSE DISCUSSED WITH HIM WILL WRITE IN GREATER DETAIL NEXT WEEK.

ERLI, JUCKER & CO., BANGKOK.

"POST" 1st Dec. 1949

Post Mailbag

Editor's Note: The Post welcomes correspondence from readers, particularly comments on conditions of the times. Letters should be brief succinct. All letters must be signed by the writer, but when published pen names will be used if requested. Letters will not be returned.

To The Editor:

Word has been received here that the Australian government rejected the application by our government of raising the Consulate General to the status of a legation. No one can bring to light why a growing power is so strongly prejudiced against a small nation, virtually turning down her good-will gesture while the U.N., in which the Australian Foreign Minister is occupying an authoritative seat, is appealing for world co-operation.

At all times and in all groups of civilized countries diplomatic representation is admitted as a step towards better understanding and relationship. I cannot feel otherwise than that the action taken by the Australian Government is a challenge to a good cause.

KHON THAI.

ERLI JUCKER & CO., BANGKOK.

30/11/49

Senator Questions Government About Australia's Refusal To Establish A Legation

At yesterday afternoon's meeting of the Senate, Luang Suriyaphongse asked the Government to state the true facts concerning Australia's refusal to allow Thailand to establish a Legation, and whether the reason that Thailand had not yet completed payment of war claims compensation to Australian nationals had influenced the decision.

The Senator was of opinion that if such was the case, Thai students ought to be recalled or sent to study in some other foreign country more friendly to Thailand. He further said that the Thai Government ought also to inform Australian nationals that their presence in Thailand was no longer desired as a retaliation for the slight put upon Thailand.

Nai Bhoohana Sarasin, Minister of Foreign Affafrs, replied that though the fact that Thailand had not yet completed payment of war claims compensation to Australian nationals was the reason for Australia's refusal to allow Thailand to establish a Legation there, it would not be seemly for Thailand to retaliate rashly when there was still hope of reaching an amicable understanding in the matter.

The 1949 Supplementary Budget Bill was then presented to the Senate for consideration, but after a short discussion, it was rejected and sent back to the House of Representatives for reconsideration.

"LIBERTY" 30th Nov., 1949.

DUPLICATE.

File No. 40/6/1.

xxx Thailand.

Memo No. C457/49.

7th December 1949.

C O N F I D E N T I A L.

The Secretary,
Department of External Affairs,
CANBERRA. A.C.T.

EXCHANGE OF REPRESENTATIVES WITH THAILAND.

Further to my memorandum No. C441/49 of 22nd November 1949 relative to the Thai Government's request for the establishment of a Legation in Australia, the matter was the subject of a question in the Thai Senate on the 29th of November 1949.

2. I attach for your information copy of newspaper report on the subject.

3. There have been no subsequent references in the Press and it is not expected that the matter will become the subject of further adverse comments. As to the Minister's reference to reaching an amicable understanding, no approach has been made by him requesting my reconsideration, and the meaning of the reference is not clear. It may be however that he is making reference to the amicable settlement of claims.

CONSUL-GENERAL.

Encl.

Orig attachment on 451/3/1/2 451/4/1

~~451/4/1~~ ~~451/3/1/2~~ 451/3/1/1

Note for file

See Memo c 441/49

of 22/11/49.

from Bangkok.

Exchange of Reps with Thailand.

---

on file 451/4/1

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM. **SECRET.**

GO:EGM C. 14474

Sent: 18th November 1949
1625

ENCYPHERED TO:

Australian Consul General,
BANGKOK.

78. CONFIDENTIAL.

Your B96. Following is text of reply given to Thai Ambassador on 2nd November.

"His Majesty's Australian Government is in receipt of the memorandum presented by the Thai Ambassador in London to the Acting High Commissioner for Australia in London on 14th September 1949, and notes the proposal of His Thai Majesty's Government that there should be an exchange of notes between the High Commissioner for the Commonwealth of Australia and the Thai Ambassador in London, providing for the establishment of diplomatic relations and for the exchange of repre-entatives with the rank of Minister.

His Majesty's Australian Government regrets its inability to accept the proposal of the Thai Government since, in the view of the Australian Government, such an exchange of diplomatic representatives should properly await the satisfactory completion of negotiations already proceeding in Bangkok between the representatives of Thailand and Australia in respect of the settlement of outstanding claims for war loss and damage.

His Majesty's Australian Government, taking this opportunity to renew its previous assurances that it will entertain no objection to the appointment of a Thai consular representative in Australia, looks forward with pleasure to the earliest possible establishment of normal diplomatic relations with the Government of Thailand".

Regret delay. Full details follow by bag.

MIN. & DEPT: E.A. (451/4/1)

22nd November 1949.

Aust Rep Bkk / Thailand

451/3/1/2

IN CLEAR TELEGRAM FOR AUSTRALIAN CONSUL-GENERAL, BANGKOK.

EXTERNAL AFFAIRS OFFICER, LONDON.

No:

Date:

This mornings press reports fully Siamese Foreign Minister's statement about abandonment of proposal to send diplomatic representative to Australia and also Siamese Foreign Office official's comments about incidents involving Siamese students in Australia, tardiness in recognition of Pibul's regime, and Australia's opposition to return of gold from Japan. In reply to enquiries Australian press have been given following statement. Begins:

Although an Australian Consul-General was appointed to Siam in September 1946 no Siamese consular representative has yet been appointed to Australia. The Australian Government had made it clear they would be willing to accept a consular representive. Recently Siamese Government proposed the establishment of full diplomatic relations and an exchange of Ministers. The Australian Government replied that it was not ready for an exchange on this level. Ends.

Off the record press have been given some of background including Siamese failure to settle satisfactorily ~~British and~~ British Commonwealth war claims.

. . . . . .

17th November, 1949.

Distribution:

P.I.

Pacific

GSB:SMS.

451/3/1/2

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM.

DBB:KC

O.14408-09.

Sent: 17th November, 1949.
1340.

ENCODE TO:

Australian Consul-General,
BANGKOK. 72.

Australian High Commissioner's Office,
L O N D O N. (For External)
4990.

IMMEDIATE. UNCLASSIFIED.

This mornings press reports fully Siamese Foreign Minister's statement about abandonment of proposal to send diplomatic representative to Australia and also Siamese Foreign Office official's comments about incidents involving Siamese students in Australia, tardiness in recognition of Pibul's regime, and Australia's opposition to return of gold from Japan. In reply to enquiries Australian press have been given following statement. Begins:

Although an Australian Consul-General was appointed to Siam in September 1946 no Siamese consular representative has yet been appointed to Australia. The Australian Government had made it clear they would be willing to accept a consular representative. Recently Siamese Government proposed the establishment of full diplomatic relations and an exchange of Ministers. The Australian Government replied that it was not ready for an exchange on this level. Ends.

Off the record press have been given some of background including Siamese failure to settle satisfactorily British Commonwealth war claims.

E.A.

17th November, 1949.

451/3/1/2

EXTERNAL AFFAIRS.

PACIFIC DIVISION.

Note prepared by
Eastman, 17/11/49

Australian - Thai Relations.

Official relations between Australia and Thailand, as seen from the Bangkok end, are at present worse than they have been at any stage in the past. This results from the cumulative effect of our unfriendly postwar attitude and in particular from the following specific acts and decisions :

(a) Whereas the United States ignored the Thai declaration of war, Australia, in conjunction with United Kingdom and India, insisted on more or less onerous peace agreements before terminating the state of war;

(b) Whereas the U.K. and India signed a final peace agreement on 1st January, 1946, and terminated the state of war a few days later, Australia did not present its final peace agreement until March 1946 and did not terminate the state of war until approximately July 1946;

(c) We included in our peace agreement Article X1, which was over and above the demands of U.K. and India and was resented as an infringement of sovereignty;

(d) When Thailand asked for financial assistance in 1946 to rehabilitate trade, we refused although U.K., India and U.S.A. extended loans or credit;

(e) We were the only prominent nation not to extend an invitation to Pridi during his goodwill tour in 1946, although it had been hinted that he would appreciate an invitation;

(f) Although I was appointed Consul-General in Thailand in September 1946, we refused until September 1947 to agree to reciprocal representation here;

(g) We were the only country to refuse recognition to the Khuang Government (November 1947 - May 1948);

(h) Although all other countries recognised the Pibul Government immediately in May 1948, we withheld recognition until July or August;

(i) We continue to freeze privately-owned Thai funds in Australia, although similar funds in U.K. and U.S.A. have long since been unfrozen;

(j) The activities of the Immigration Department in relation to Kularb Saipradit, Mang Cherm Bulgetr and a number of Thai students in Melbourne created official as well as public resentment in Thailand. These cases have been explained fully by me to the Thai Ministry of Foreign Affairs, but they remain sceptical and resentful;

(k) The general operation of our immigration policy in relation to Asiatics is poorly received;

(l) The prominent part which Australia played in trying to prevent the handing over to Thailand of certain gold in Japan aroused keen resentment;

US1/3/1/✓

REBUFF TO SIAM

Envoy Plan Cancelled

— SMH 17.11.49

BANGKOK, Nov. 16 (A.A.P.).—The Foreign Minister of Siam, Pot Sarasin, said to-day that Siam had abandoned a plan to send a consul-general to Australia.

He said Siam had changed its earlier decision because Australia had refused a request to raise the intended consulate-general in Canberra to legation status on the grounds that Australian war claims on Siam had not been completely settled.

The Minister added that Australia's attitude was difficult to understand, because Australia's war claims, along with the British and Indian claims, were subject to a joint settlement by the Joint Allied War Claims Committee and because only minority claims remained outstanding.

A5131/2

US(B)/1/2

The press has given wide coverage to reports of the Conference called by Dr. Evatt in Canberra to discuss the Japanese peace treaty and the situation in South East Asia. The press also reports Dr. Evatt's views on an early peace treaty with Japan.

Summary, 6/11/49

(m) Our strong attitude in pressing for settlement of war damage claims on our own terms (which the Thais regard as unreasonable) has had a similar effect;

(n) Our blunt refusal to consider exchange of legations before full settlement of war claims has provoked an unfriendly public statement by the Thai Minister of Foreign Affairs.

2. As against this imposing list of unfriendly acts, the only tangible gestures of goodwill to which we can point in the last 4 years are the 4 or 5 UNESCO fellowships and the educational supplies which were promised over a year ago but have still not been delivered.

3. If a similar attitude had been adopted by other Allied powers, the combined effect might perhaps have been salutary and war damage claims might perhaps have been settled more promptly and satisfactorily. For various reasons of their own, however, the other powers entered into full diplomatic relations with Thailand, and U.K. and U.S.A., in particular, have been sedulously courting the Thais for some time. In these circumstances our continued bluntness and unfriendliness have had merely an irritating instead of a wholesome effect on Thailand.

4. Whether or not the Australian attitude has been wise or necessary and whether or not the Thai Government has been unreasonable in some or all of its reactions, the fact is that we have succeeded in building up a considerable store of illwill in official and political circles in Thailand. In view of the importance which the Government attaches to friendly relations with South East Asia, it is a matter for consideration whether some positive steps might not be taken to remedy the situation.

5. I should mention that a small but satisfactory amount of goodwill towards Australia is to be found in non-official circles in Thailand as a result of friendly personal contrcts between Thai students and the Australian public.

49/2/2/23

CONFIDENTIAL

No. 1049

3rd November 1949.

Memorandum to:

The Secretary,
Department of External Affairs,
CANBERRA.

I refer to your memorandum No. 577 of 17th October 1949, setting out the terms of the reply to be conveyed to the Thai Ambassador London, regarding his memorandum of 14th September suggesting an exchange of Ministers between Thailand and Australia. The reply was handed to the Thai Ambassador in London on 2nd November 1949.

External Affairs Officer.

orig on 451/4/1

451/3/1/2

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM.

ER/KC

I.14376

Dated: 26th September, 1949.
1835
Recd: 27th September, 1949.
1145.

DECYPHER FROM:

Australian High Commissioner's Office,
L O N D O N.

3994. RESTRICTED.

From External. Thailand claims.

The United Kingdom Authorities are now convinced that 6½ million pounds will be sufficient to satisfy all United Kingdom and other Commonwealth claims on the following basis;

(a) Outstanding personal prejudice 300000

(b) Outstanding personal property 522057 made up as follows -

United Kingdom and Commonwealth (other than Australian and Indian) personal property	239854
Australian property	30000
Indian property	95000
General property (i.e. property of petty traders etc.)	157203
Total	522057

as opposed to the present declared total of claims 796732.

(c) Remainder to tin and commercial property claims. Thai assets frozen in United Kingdom considerably exceed the sum of 6.5 million at present though they are valued at 8.8 million.

2. As attempts at lump sum settlement last year failed United Kingdom authorities feel that the objective should be to clear up claims in (a) and (b) as soon as possible and that the claims in (c) should be more easily settled with (a) and (b) out of the way. They think (c) will have to await further assessment by Shipley in Bangkok. He returns there in November. Ultimately they think these may have to be based on a lump sum settlement also.

3. The Thai Minister of Finance, Prince Viwat will be in London later this week and United Kingdom Authorities intend informally and provisionally suggesting to him that an immediate lump sum settlement of 822000 pounds might be made by the Thai Government to cover balance of personal prejudice and personal property claims and that consideration of the other claims by committee be resumed on Shipley's return. As a concession to make this proposal attractive they might indicate their readiness to release to the Thai Government forthwith 1500000 pounds from Siamese frozen assets in London. They intend to make it clear that this lump sum of 822000 pounds must be administered exclusively by the Commonwealth members of the existing Claims Committee and that the 822000 pounds is an absolute figure though if it proves more than enough they would be prepared later on to consider refunding the balance.

451/3/1/2

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM.

4. They are not clear on the effect of devaluation on that part of the claims [illegible] the Siamese Government has not yet fixed a new rate of exchange but the agreement provides that claims were [illegible] values in 1942 so that the question of devaluation may not arise.

5. In any discussions with Viwat they say they will make it clear that the proposal is provisional only and is on behalf of the United Kingdom Government only and without consultation with the Indian and Australian Governments. They assume that Viwat will have to refer the matter back to the Siamese Government.

6. The United Kingdom Authorities say that from discussions in the Claims Commission in Bangkok they are absolutely satisfied the sum of 6.5 millions would satisfy all claims as determined by the commission and 1500000 pounds can be safely released to the Thai Government without detriment to the interests of any British Commonwealth claimants and without prejudice to the principles stated in C.R.O. telegram D130 of 8th April 1948. They feel on the other hand that procedure in Claims Commission offers such opportunities of delay to Siamese that claimants will be prejudiced unless an attempt is made to break the present deadlock.

7. I have informed Eastman very briefly of this proposal and he will be able to get details from the British Embassy Bangkok to which they are being telegraphed by the Foreign Office today.

8. Informally I have suggested that the United Kingdom discussion of the matter with Viwat be delayed as long as possible and that in any event unless you indicate to the contrary in the meantime the fact that it represents the United Kingdom views only should be stressed.

Min. & Dept. E.A.
Treasurer & Treasury.

27th September, 1949.

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM **SECRET.**

JSH:LE:JH

I.13035,90

ENCYPHER FROM:

Dated: 16th September, 1949
1715

The Australian Embassy,
WASHINGTON.

Recd: 17th September, 1949
0900 hours.

870. SECRET. IMMEDIATE.

F.E.C.122.

509.

At this-morning's meeting, we pressed issue to vote as instructed in your telegram under reference. Result of voting on Australian resolution "that issuance of directive be postponed until matter fully investigated and decided by F.E.C." is as follows:

For: Australia, China, India, New Zealand, Philippines, U.S.S.R.

Abstentions: Canada, Netherlands, United Kingdom (Denning told us last night that he had protested vigorously to State Department about proposed directive. He had also spoken to Thai Finance Minister and urged a very early settlement of outstanding claims against Thailand).

Against: United States.

France did not participate in vote. Resolution was thus lost on United States vote.

2. Following is summary of progress of meeting;

(a) New Zealand, China, Philippines and India made statements in support of our position.

(b) United States made statement repeating its previous arguments that Thailand and France were legally entitled to earmark gold and stating that this matter was not one of policy, but rather of implementation by S.C.A.P. under a supplementary directive issued by the United States in accordance with Section I of paragraph III of the terms of reference of F.E.C. United States also gave answers to questions posed by Australia at last F.E.C. Meeting (See F.E.C. Document 343/1 sent under cover of P/L No. 493/49 of 13th September which included statement that gold for Thailand was in respect of purchases of rice, tin and rubber.

(c) We then made statement pointing out that this was a matter of principle which should, pending a Peace Treaty, be decided by the F.E.C., that F.E.C. should decide whether any countries should be given preferential treatment in the distribution of assets in Japan and that Thailand has not settled outstanding debts. We noted in passing that whilst we had doubts about the legality of French Government's title to gold, it might be that F.E.C. would, after mature consideration, decide that gold should be released to France. In this event, Australian Government would be willing to give due consideration to claims of France. We also referred to possibility that gold might be in payment for services performed by Australian and other allied prisoners of war in Thailand, and moreover, that the property of Australian commercial interests.....

451/3/1

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM. **SECRET.**

I.13605,90

interests in Thailand, for instance, the belonging to Austra[lia] mining companies, might fall within the category of services which Thailand may be given payment. In conclusion, we asked for vote on substantive questions directive be reviewed to S.C.A. recess followed and it was clear that there was no support for this action, but that certain of our colleagues would support a motion to postpone issuance of directive. We therefore fell back on your second proposal.

(2) U.S.S.R. took line that vote at today's meeting was not essential and apparently accused the United States of hastening vote for political reasons. We then pointed out that we had asked for vote today.

3. United States representative, in reply to Indian question stated that the United States proposed to issue directive and intended at time of issuance to release statement to press, giving background (presumably) explaining United States position. We suspect that story of today's meeting will be leaked and have already been approached by press, but have given no comment. Should we maintain this attitude to press when United States issues its press release?

4. Other questions were discussed at meeting which will be reported in later telegram.

MIN. & DEPT. OF E.A.

17th September, 1949.

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM.

ACTION COPY

MD/[redacted].

I. 13593.

DECYPHER FROM:

Dated: 14th September, 1949.

2010.

Rec'd: 15th September, 1949.

8.45.a.m.

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Australian High Commissioner's Office,
LONDON.

5826. CONFIDENTIAL. From External.

Am forwarding by airbag No. 219/49 memo left with the Acting High Commissioner by the Thai Ambassador in London suggesting the establishment of diplomatic relations between Australia and Thailand and envisaging the early appointment of a Thai Minister to Australia while not insisting on an immediate recoprocal appointment by the Australian Government.

Minister and Department of External Affairs.

15th September, 1949.

451/3/1/2

451/4/1 ON

451/1/1 ON

Copies:
Secretary ✓
AS(P) ✓
E
ME ✓
A
LC ✓
PI ✓
Pac ✓
AFT
UN ✓
Eth
Adm ✓
A.,ce
Encrn

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM. SECRET.

[illegible]AL.

I. 13395.
Dated: 9th September, 1949.
1807.
Rec'd: 11th September, 1949.
0900.

DECYPHER FROM:

Australian Embassy,
WASHINGTON.

835. F.C130. IMMEDIATE. CRYPT.

Thai Ambassador called on the Ambassador this morning and left a note of which the following is the summary;

The Thai Government has requested the United States to release to the Bank of Thailand certain gold bars owned by the Bank and deposited for safekeeping in Japan. The Bank of Thailand possesses receipts issued by the Bank of Japan, weight lists, certificates of inspection and other documents describing the bars by number and fine gold content. The bars are physically segregated from other gold in vaults in the Bank of Japan and suitably marked and identified. The gold constitutes a major part of the Thai currency reserve. Approximately one-half of the gold purchased before the end of 1941 i.e., 31st December. The remainder purchased with balances which accrued in favour of Thailand during the war. The gold was earmarked between 2nd August, 1941, and 27th October, 1944 - gold acquired during the war was purchased in an effort to maintain the integrity of the Thai currency system and avert financial and economic collapses. The Thai Government was obliged during the war to make available to Japan local currency considerably in excess of gold earmarked by Japan for Thailand. Local currency was for purchase of rice and other commodities which were sent to Southern Regions occupied by Japan for civilian and military consumption. Only to a small degree was the Thai Government able to mitigate the acts of exploitation and spoilation of the Thai economy by the Japanese Government. 60% of the Thia currency reserve was accounted for by the gold held under earmark in Japan. The Bank of Thailand acquired a valid title to the gold under established principles of both municipal and international law. Its prompt release will promote stability in Thailand.

2. The Thai Ambassador requested that his representations be sympathetically considered by the Australian Government. The Ambassador took the opportunity of referring to Thailand's outstanding obligations to Australia.

oooooooooo

Min and Dept. E.A.

11th September, 1949.

451/3/1/2

DEPARTMENT OF EXTERNAL AFFAIRS.

SECRET.

CABLEGRAM. I. 19[illegible]

Dated: 9th September, 1949
1505.
Rec'd: 10th September, 1949.
1100.

H.M.A.L.

DECY. HIGH FROM:

Australian Embassy,
WASHINGTON.

830. S.E.C.R.E.T.

F.E.C No.118.

Our telegram No.820.

Essential background to United States directive and the fact that Australia protested in FEC yesterday has been leaked to the Press. Press report quotes amounts of gold for Thailand and France as given to us by State Department, explains why gold was earmarked and the American Officials have investigated French and Thai claims and have reached the conclusion that they were justified.

Press states that Philippines also protested as you are aware in our telegram under reference, this is not so.

oooooooooo

Min and Dept. External Affairs.
11th September, 1949.

451/3/1/2

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DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM. **SECRET.**

THE DICTATION OF THIS CABLEGRAM WITH ITS PARAPHRASE MUST BE IN A SECURE ROOM. THEY COMPROMISE THE CIPHER USED AND MUST NOT BE CONSIDERED AS MUCH LOWER THAN

..GC

I.13347

Dated: 9th September, 1949
1359

DECYPHER FROM:

Recd.: 10th September, 1949
0900

Australian Embassy,
WASHINGTON.

831. SECRET. IMMEDIATE.

For Dr. Burton from Ambassador.

F.E.C. 119. Your 499.

We have been considering how to bring this question to a vote as instructed in paragraph 4 of your 485 of 6th September in view of time factor if the United States, as seems most likely, proceeds with the issuance of directive to S.C.A.P. on 16th September.

2. The only approach that occurs to us would be to introduce a resolution that the directive be not issued. This would give rise to procedural disputation viz. paragraph 111(1) of F.E.C. terms of reference. We would maintain that this directive could not be issued as a result of a specific F.E.C. policy decision and the United States would argue that the directive was in implementation of F.E.C. basic past surrender policy and would obstruct by every possible means. Whether we could force the issue to a vote is doubtful. We might move a motion that a vote be taken at once but some other delegation might move for postponement. Second motion would be voted on first and if approved support the United States. In any event it appears most unlikely that other Governments would have given or would have wished to give instructions to their representatives on this issue.

3. It does not seem possible to prevent the United States from issuing directive although directive can of course be reviewed by F.E.C. after it is issued. However, from past experience, it would appear that such action would result ultimately in fruitless discussion and a decision unfavourable to us because of the United States veto. Moreover, we would be forced into a position from which we could only with difficulty retreat and would possibly impair our friendly relations with the United States Government.

4. We feel that the United States arguments in rebuttal of our statement yesterday will be predicated on legal issues and, as yet, we do not have sufficient factual information about the earmarking of the gold to argue with confidence. Any views that you might have on legal aspects would be most helpful.

5. You are aware of the United States general attitude towards F.E.C. and its disinclination to work through it. The whole issue should be considered in this context.

MIN.& DEPT. E.A.

10th September, 1949

451/3/1/2

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM.

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JO/GC

I.13341

Dated: 8th September, 1949
1917

Recd.: 9th September, 1949
1600

DECYPHER FROM:

Australian Embassy,
WASHINGTON.

828. RESTRICTED.

F.E.C. 117.

Your 499.

Gold for Thailand and France.

A firm statement along the lines of your recent telegrams made by the Ambassador at this morning's meeting. Chinese and Indian representatives supported. Comments of various members are summarised as follows:

(a) Chinese representative argued that the action contemplated by the United States was contrary to paragraph 16 of the policy decision on interim import-export policies for Japan. (F.E.C. 232/26). He also referred to page 242 of S.C.A.P. summary of non-military activity of September 1947 and asked why China had been singled out as an exception. He said that no hasty or premature steps should be taken, that this issue was an integral part of Allies general claims against Japan and urged that directive be withheld.

(b) The Indian representative, whilst without instructions on this particular issue, said that his Government was most concerned that the policy-making functions of F.E.C. should be safeguarded and expressed opinion that directive should be fully considered by the Commission.

(c) The United Kingdom representative observed that he would withhold comment for the time being until further evidence as to title of the gold had been provided.

(d) The French representative pointed out briefly that this question did not fall within competence of F.E.C., but was properly administrative act within competence of S.C.A.P. He said that any discussions about this matter should be conducted through diplomatic channels and that the French Government would not produce evidence of title before F.E.C.

2. We put it to the Chairman that this matter should be urgently considered by F.E.C. before directive was issued. Chairman replied that it was his assumption that the United States Government would give opportunity for further discussion by Commission.

MIN.& DEPT. E.A.

9th September, 1949

451/3/1/2

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DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM. **SECRET.**

[redacted]

HP:J3H

ENCYPHER FROM:

The Australian Embassy,
WASHINGTON.

Dated: 7th September, 1949
1934
Recd: 8th September, 1949
1400 hours.

820. EMERGENCY. SECRET.

F.E.C.116.

Late this-afternoon we were called to the State Department by Allison who, under instruction from Butterworth, reported at length the United States position with regard to the transfer of gold from Japan to Thailand and France.

2. Following is summary of his comments:

(a) The decision to take this step was approved by President Truman personally after consultation with the Departments of Defence, State, Treasury and the Attorney General.

(b) The United States Government is certain that they are legally correct in transferring gold otherwise they would not have taken this decision. The State Department is preparing a factual memorandum about the legal position for distribution to friendly powers.

Stressed again that Thailand's legal right to earmark gold was not connected with Austria's claim for compensation from Thailand.

(c) Allison pointed out that U.S.A. believes that U.S.A. is entitled to a major portion of the gold belonging to Japan. Therefore, if this amount is not accepted as belonging to Indo-China and Siam, it may be claimed later by the U.S.A. for occupation costs.

(d) They stressed the political significance of proposed move in order:

(1) To contain Communism in Asia and,

(2) To assist the French in the interests of the Western Union and the Atlantic Pact.

Referred to the geographical position of Australia and expressed the opinion that we might view the situation in its widest aspects.

(e) Said that if this issue were raised by Australia at F.E.C. meeting tomorrow, it would give the Soviet a "chance for a field day".

Suggested that we ask you not to raise the issue in the meeting tomorrow. In this event, the United States would delay the issuance of a directive to S.C.A.P. for a further week to allow time for further negotiation (i.e. for another fortnight).

(f) Allison gave the impression that the United States had made firm decision to issue directive.

3. We felt you should be advised of the foregoing immediately.

MIN. & DEP'T. E.A.

8th September, 1949.

451/3/1/v

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DEPARTMENT OF EXTERNAL AFFAIRS.
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MD/jo

DECYPHER TO

U.11132/3
Sent September 6, 1949
6.10pm

AUSTRALIAN EMBASSY
WASHINGTON.....485

SECRETARY OF STATE
FOR COMMONWEALTH RELATIONS
LONDON.....154

CONFIDENTIAL.

Release of gold to Thailand and France. Your FEC.11

1. We have now informed U.S.Embassy in reply to their Aide-memoires of 31st August and 5th September that after careful study Australian Government is unable to support either substance of U.S. proposal or manner of its implementation. Following is summary of points in our Aide-memoire:

2. Notwithstanding United States citation of international law and monetary practice, Australian Government is not convinced that Thai and French title to the gold has been clearly established, particularly having regard to abnormal conditions prevailing at time Japan is stated to have earmarked gold for Thailand and France. Between 1941 and 1943 Thailand was at war with Australia and other countries and Indo-China was under Japanese occupation. In absence of detailed information Australian Government assumes that services on which Thai and French claims rest were performed in furtherance of Japanese war effort against allies.

3. Gold should properly be regarded for present purposes as part of Japan's assets and its ultimate disposition laid down in peace treaty. Even if regarded as transferred the gold should still be regarded as enemy assets in possession of occupying forces and available to meet war damage and other claims made by Allied on enemy countries.

4. Matter should in any event be fully considered and voted upon by FEC before any directive sent to SCAP.

5. Full texts by air bag.

MIN AND DEPT E.A. (479/10/11)
(480/6)
(480/30)
September 7, 1949

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM.

ALF/MG

O. 11134

Dated 6th September, 1949
1800

DECYPHER TO:

Australian Mission,
TOKYO.

266. CONFIDENTIAL.

Release of gold to Thailand and France.

U.S. Embassy in Aide-memoires of 31st August and 5th September informed us that U.S. Government proposed to instruct Supreme Commander to release to Thailand and France £80 million in gold which had been earmarked by Japan for those countries as result of trade transactions between 1941 and 1943.

2. We have now informed U.S. Embassy that Australian Government is unable to support either substance of U.S. proposal or manner of its implementation. We have pointed out that Australian Government is not convinced that title to gold rests with Thailand and France. We reminded U.S. that during period in question Thailand was at war with Australia and other countries and Indo-China was under Japanese occupation, and that we had reason to assume that services on which Thai and French claims rest were performed in furtherance of Japanese war effort. We stated that gold should properly be regarded as part of Japanese assets and its ultimate disposition laid down in peace treaty and that the matter should in any event be fully considered and voted upon by FEC before any directive sent to S.C.A.P.

3. Full texts by air bag.

MIN & DEPT E.A. (479/10/11)
(480/6)
(480/30)

7th September, 1949

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM. SECRET.

[illegible] 12973

DECYPHER FROM:

Dated 1st September, 1949
1319
Read. 2nd September, 1949
1000

Australian Embassy,
WASHINGTON.

787. Secret.

Our FEC112. FEC113.

State Department has now replied informally along the following lines -

(A) Regrets that it cannot postpone notification of directive to F.E.C. in view of assurances given to France and Thailand and because all F.E.C. countries except U.S.S.R. have already been informed of the directive;

(B) Whilst the United States would of course respect Australia's claims against Thailand, it considers that Thailand's legal right to earmark gold is not connected with Australia's claims for compensation.

2. We understand that the State Department is sending further instructions to United States Embassy Canberra.

MIN. AND DEPT. OF E.A.

2nd September, 1949

451/3/1/✓

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DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM. SECRET.

[redacted] Dated: 31st August, 1949.
1957.
DECYPHER FROM: [redacted] Rec'd: 1st September, 1949.

THE AUSTRALIAN EMBASSY,
WASHINGTON.

786. SECRET.

Your 470.

F.E.C.112.

As Allison was not available, we discussed the question with his assistant who was unable to give a firm reply, which is promised tomorrow, but expressed the following tentative views -

(A) The directive, copy of which was sent to the United States Embassy, Canberra, will be filed with the Far Eastern Commission and subject to review by the Commission. The State Department, however, is most anxious that this should not happen and would probably veto any proposal to modify the directive. Communication to S.C.A.P. is termed "directive" not "interim directive". (The State Department would not state the significance of the change of nomenclature but we interpret it as -

(a) A method of getting around the relation between interim directive and matters of urgency, or

(b) Indication that United States is no longer concerned with formulation of policies by F.E.C.

(B) The State Department is inclined to the view that Australia's relations vis - a - vis Thailand are distinct from Australian and United States relations vis - a - vis Japan.

(C) The United States would be extremely reluctant to postpone transmission of the directive to F.E.C. since Thailand and France have been promised that action will be taken immediately. The present intention is to forward the directive to F.E.C. on 2nd September and issue it to S.C.A.P. a fortnight later. This period would allow time for further representations by the Australian Government.

(D) The State Department stressed that transfer was strictly legal and at the same time had political value in encouraging the Thais to resist the spread of Communism.

2. Suggest you might wish to concert action with other interested British Commonwealth Governments.

3. We were informed by the State Department of this matter on 29th August and given firm assurance that the United State's Embassy, Canberra, was thoroughly briefed to discuss it with you (see our memorandum No.998 of 29th August).

MIN. & DEPT. EXTERNAL AFFAIRS. 2nd September, 1949.

451/3/1/✓

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DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM.

WAR

C.10861.

Sent 31st August, 1949 1655

DECYPHER TO:

The Secretary of State
for Commonwealth Relations,
LONDON.

150. CONFIDENTIAL:

We have been informed by the United States Embassy that the United States Government proposes to instruct the Supreme Commander to hand over to Thailand and France approximately $80M (eighty million dollars) in gold which had been earmarked by Japan for those countries as a result of tranding transactions. The procedure which we understand has been communicated to you involves a notification to F.E.C. and we are asked to support the United States in the matter.

While there may be less objection to the gold being transferred to France for French Indo-China we have strong objection to the transfer to Thailand with which we were at war and which country under the Treaty of Peace made with her has an outstanding obligation to Australia in respect of certain claims and the United Kingdom Government is in a similar position.

We propose therefore to inform the United States Government that we would expect them to respect our position in relation to Thailand, even though they themselves were not at war with Thailand, and that no transfers of gold should be made fro Japan one enemy to Thailand another enemy until claims on Thailand have been satisfied.

We should be glad of your urgent comments.

MIN. AND DEPT. OF E.A.

1st September, 1949

451/3/1/V

DEPARTMENT OF EXTERNAL AFFAIRS.

IWMP/RNW

CABLEGRAM.

0.7636/9/40/1/2/3/4/5
0.7646/7/8/9/50/1/2/

ENCODED TO

AUSTRALIAN HIGH COMMISSIONER
KARACHI.

Sent:13th June, 1949
1130.

AUSTRALIAN HIGH COMMISSIONER
NEW DELHI.

AUSTRALIAN HIGH COMMISSIONER
COLOMBO.

AUSTRALIAN CONSULGENERAL
BANGKOK.

AUSTRALIAN CONSUL GENERAL
MANILA.

AUSTRALIAN MISSION
TOKYO.

AUSTRALIAN COMMISSIONER
SINGAPORE.

AUSTRALIAN CONSUL
DILI.

AUSTRALIAN CONSUL GENERAL
BATAVIA.

AUSTRALIAN HIGH COMMISSIONER
LONDON.

AUSTRALIAN HIGH COMMISSIONER
OTTAWA.

AUSTRALIAN EMBASSY
MOSCOW.

AUSTRALIAN HIGH COMMISSIONER
CAPE TOWN.

AUSTRALIAN HIGH COMMISSIONER
WELLINGTON.

AUSTRALIAN GOVERNMENT TRADE COMMISSIONER
HONG KONG.

The Minister for Immigration is anxious to know what use has been made of text of his second reading speech on bills introduced last week. He suggests that if you have not

2...../issued.....

451/3/1

issued any statement, you might do so at your discretion especially as press reports emanating from this end may omit portions of text in view of generally hostile attitude of Australian press.

2. Please report fully on local press and other reactions to legislation.

. . . . . .

E.A. 14th June, 1940.

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM.

MW

I. 8162.

SAVINGRAM FROM:

Dated 17th May, 1949.

Rec'd 27th May, 1949.
111.00.

MASSEY,
AUSTRALIAN COMMISSIONER,
SINGAPORE.

Confidential.

As you will know from press there has been considerable agitation in vernacular press in Siam regarding repatriation from Australia of a Siamese student and proposed return of Meh Cherm, nursemaid to Reverend Norwood.

2. Governor of Singapore has informed me privately that United Kingdom ambassador at Bangkok has reported on this to Foreign Office but has not discussed it with Eastman. Thompson's object has been to try and avoid building up of adverse feelings against Australia and on contrary to help Australia to retain goodwill won over Indonesian action in fact to still be welcomed as a member of the Asian Club.

3. Last night at dinner I discussed problem with Siamese Foreign Minister who is at present in Singapore. He told me that while his government does not share feelings of Bangkok press, at least in so far as student is concerned, cannot avoid some concern over Meh Cherm. Nevertheless he promised me that there will be no official reaction such as is now taking place in Philippines. He also tells me that subject has not been under discussion with Eastman and I only report it now because, although it has arisen fortuitously it is of possible interest to you.....Massey.

A/MIN. & DEPT. E.A.

27th May, 1,49

A51/3/1/2

A51/3/6/1 AH.

Secretary
AS (F)
F
MS
A
LO
PI
Per
AIT
UB
EB
Adm
A/cs
Encrs

DUPLICATE.

1951/3/1/2

Accession no 453/10/1/3

AUSTRALIAN CONSULATE-GENERAL.
BANGKOK. SIAM.

File No. 90/6/8.

Memo. No. C 238 /48.

4th September, 1948.

MEMORANDUM for:

The Secretary,
Department of External Affairs,
CANBERRA. A.C.T.

BURMA - SIAM RAILWAY.

I refer to your memorandum No. 110 of 24th August, 1948, on File No. 453/10/1/3.

2. In October 1946 the U.K. Government, with the concurrence of the Malayan, Burmese and N.E.I. Governments, sold to the Siamese Government the Siamese section of the Burma-Siam Railway for a total equivalent of one and a quarter million pounds payable partly in sterling and partly in Siamese currency; the purchase price is payable by instalments, last of which falls due on 1st January, 1949. It was further agreed between the governments concerned that of the total sum the Government of Malaya would receive £656,400, the Government of Burma £51,250, the N.E.I. Government £187,350 and the balance of £350,000 was to be paid by the Siamese Government in Siamese currency into the general Japanese reparations pool.

3. It was announced at the time that the normal practice would have been for the governments concerned each to claim back the looted railway equipment from their territories which had gone towards the building of the Burma-Siam Railway. This would have meant dismantling the railway and sacrificing all possibility of selling it. For these reasons the governments concerned agreed to the sale on condition that they received monetary compensation for their equipment and the surplus of total purchase price over such compensation was to be applied to general Japanese reparations.

4. At the time of the sale representations were made by ex-prisoner of war organizations in the U.K., India and Australia for the compensation claims of workers on the railway to be made at least a second charge on the proceeds of sale but this proposal was not accepted. On this question please see my memorandum C135/47 of 24th May, 1947.

5. The Siamese liability so far as the assets of the railway were concerned was liquidated by the above-mentioned sale. Furthermore, the Siamese Government was informed by the British Commonwealth Governments in 1947 that it was not proposed to hold the former liable for personal prejudice claims of persons who were brought to Siam by the Japanese and forced to work on the railway except where the personal prejudice claimed was caused by the direct action of the Siamese Government, their agents or subjects (see my telegram B136 of 23rd May, 1947, and your telegram 31 received here on 29th May, 1947). For these reasons there would not appear to be any ground on which we could now query the Siamese Government's handling of the railway assets which they have bought and have almost completed paying for.

...../2.

6. So far as can be ascertained, however, the Siamese Government has no intention at the present time of selling any part of the railway. The Government did however announce on 11th June, 1948, that it was prepared to consider giving concessions to private interests for the reconstruction and operation of the line. So far as I can ascertain, however, no concluded arrangements have yet been made with any private interests for this purpose.

A. J. Arguard

CONSUL-GENERAL.

Please refer to file 451/4/1
for memo 332/49, 31/8/49 from
Aust, C-G. Bangkok re

Thailand – "Exchange of Consular
or Diplomatic representatives
with Australia"

451/3/1/2

451/3/1/v

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM.

W/EF

I.13495

Dated : 19th August, 1948.
1657

Recd. : 20th August, 1948.

DECODE FROM :

AUSTRALIAN COMMISSIONER,
SINGAPORE.

B110.

For External.

Please advise exact date of Patrick Shaw's return to Australia in 1942. Information required to fix the date of return certain interned persons from Siam who travelled in the same ship.

-----oOo-----

E.A.

20th August, 1948.

A51/3/1/v

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM. SECRET.

[redacted]

O.2856
Sent: 13th July, 1948.
1740

DECYPHER TO:

AUSTRALIAN CONSUL-GENERAL,
[redacted].

57. Your B.103.

Recent exchange of letters between Minister for External Affairs and Siamese Foreign Minister can be regarded as indication that we are in normal diplomatic relations with Siam.

EXTERNAL AFFAIRS(re draft of 13/7/48)

14th July, 1948.

Copies to: [illegible]

451/3/1/V

"Bangkok Post"

14.6.48.

AUSTRALIANS VISIT SIAMESE LEADERS

Members of the Australian goodwill mission now in Bangkok to study Siam's educational needs and to offer scholarships and fellowships for Siamese students in Australian educational institutions, today discussed with senior government officers the most advantageous aid that Australia can offer Siam.

The leader of the mission is Mr. W. MacMahon Ball, former Melbourne University lecturer and British Commonwealth Member of the Allied Control Council in Japan. He is accompanied by Mr. D. W. McNicol, and Mr. V. G. Harris.

Mr. MacMahon Ball said on his arrival at Don Muang airport from Rangoon Saturday that the purpose of the mission was to show Australian appreciation of the sufferings and loss of the Southeast Asian countries involved in the war. "We hope," he said, "that this small evidence of our friendship will be the beginning of future closer good neighborly relationships—politically and economically."

A451/3/1/2

PRIDI DEBYABONGSE DEVAKULA to

DR. EVATT.

Letter from the Siamese Foreign minister, P.D. Devakula, to Dr. Evatt, handed to Mr. Macmahon Ball during the Good Will visit, is on File A451/3/1/1.

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM.

/TF

I.9730
Dated 14th June 1948
1900
Recd. 15th June 1948
8.45 a.m.

FROM:

The Australian Consul General,
BANGKOK.

Repeated Shanghai, Nanking 19 from MacMahon Ball.

In view of difficulty of arranging appointments and conferences over weekend I have decided stay one extra day in Bangkok and leave for Saigon 16th June. I have advised Saigon and Hongkong direct of this change in itinerary.

E.A.

15th June 1948.

Via Darwin

451/3/1/2

DEPARTMENT OF EXTERNAL AFFAIRS

CABLEGRAM.

RC/FF

O.7486
Dated 27th May 1948
1510

DECODE TO:

The Australian Consul General,
BANGKOK via Singapore.

Bangkok 40.

Your B.85.

You may accept any offer of accommodation by Siamese Government.

E.A.

27th May 1948.

Canberra
45/3/1/1

Copies to:
Secretary
A.S. (U)
M.S.
A.
I.C.
P.I.
Pac.
U.N.
E.M.
Adm.
A/cs.

A51/3/1/2.

SIAM : RELATIONS AND RECOGNITION !

Notwithstanding the fact that Australia has not yet recognised the Government in Siam, telegrams (?) have recently been sent from this Dept. to the Australian Consul-General, Bangkok, requesting him to make certain representations to the " Government to which he is accredited.

e.g. Telegram O. 58 & 8, of 26th April, 1918.

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM. **SECRET.**

PN. I. 08998.

CABLE FROM: Dated: 23rd April 1948

AUSTRALIAN CONSUL-GENERAL,
BANGKOK.

IMMEDIATE.

B87. My immediately preceding telegram.

Siamese Political Situation.
Delayed in transmission.

American Ambassador is awaiting final instructions on question of recognition. I gather State Department feel that it is difficult to withhold recognition as PIBUL was appointed with due constitutional formality as result of resignation of KHUANG notwithstanding method by which resignation was obtained. Furthermore they fear that if they withhold recognition Russia may steal a march on them by recognising Government immediately. They are therefore inclined to favour immediate recognition but are toying with idea of concurrent statement to effect that they are carefully watching developments and in particular Siam's attitude to international obligations. Difficult to see what purpose such statement would serve. Ambassador is urging delay of 3 weeks in recognition partly to preserve the decencies and partly to see whether PIBUL survives present session of Parliament in which he has at present only very narrow majority.

2. UK Embassy awaiting instructions.

3. France favours immediate recognition. Strangely enough so does China notwithstanding their fear of PIBUL. Holland will recognise concurrently with principal powers. Indian Chargé d'Affaires still awaiting instructions.

4. With exception of myself all foreign representatives have received formal letters of notification from Minister of Foreign Affairs and recognition would take form of formal acknowledgment of these letters. Letters make no specific mention of observance of treaty and other obligations but it is possible that some or all foreign missions may request assurances covering these obligations and those connected with United Nations.

5. Please advise what action I should take if and when I receive formal notification from Minister of Foreign Affairs. //

Min. & Dept. E.A. 1st June 1948.
" " " Defence.

RP

Dept Pol Relns
Secn

457/3/1

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM.

SECRET.

451/3/1/2

NO 1 N/JEO

Decypher to

Australian Legation,
PARIS.

O.16216

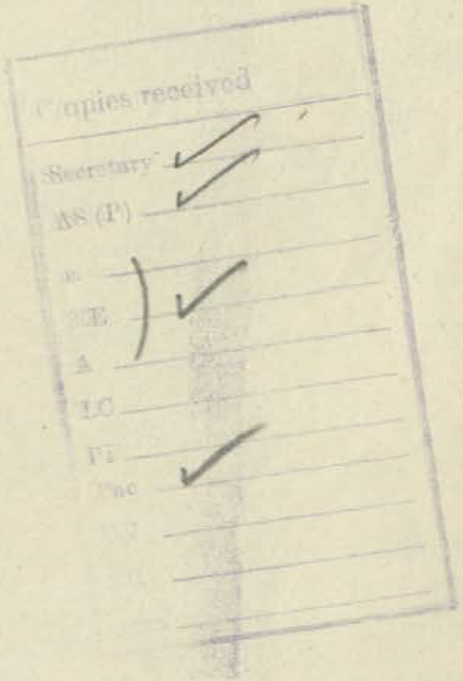
Dated 19th August, 1946

P.165 Following message addressed to Prime Minister from Prasiddhi Samitasiri, President Press Association, Bangkok, Siam -

Please convey our high appreciation to Doctor Evatt for his magnanimous speech at the Peace Conference demanding justice for the small nations.

Should we acknowledge?

E.A. (P45/49/2) R.H.
20th August, 1946



A1838

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