

Australia: Release of secret reports highlights Labor's role in boosting spy agencies

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The release, 30 years on, of the previously classified reports of the 1974-77 Hope Royal Commission on Intelligence and Security sheds further light on the historic role of Labor governments—past and present—in legitimising and expanding the repressive powers of Australia's spy and security agencies.

In 1974, Labor Prime Minister Gough Whitlam appointed Justice Robert Hope of the New South Wales Supreme Court to conduct the inquiry in order to head off demands throughout the labour movement for the abolition of the notoriously right-wing Australian Security Intelligence Organisation (ASIO), the undercover domestic political police force. Together with the state police Special Branches, ASIO had become infamous for its surveillance, infiltration and dirty tricks operations against a wide range of people, including workers, students, socialists, anti-Vietnam War protesters and other political activists.

Whitlam also asked Hope to cover other increasingly controversial agencies—the Australian Secret Intelligence Service (ASIS), which specialises in overseas espionage and covert operations, the Joint Intelligence Organisation (JIO), the military's intelligence headquarters, and the Defence Signals Division (DSD), which intercepts and monitors telephone calls and telecommunications throughout the Asia-Pacific region. Media leaks had indicated that these agencies, in addition to collaborating with their US and British counterparts in aiding repressive military regimes, such as Suharto's in Indonesia and Pinochet's in Chile, were actively spying on Australians as well.

By the time that Hope completed his work, the Whitlam government had been dismissed by the governor-general in the "Canberra Coup" of 1975, so Hope handed his reports to the Fraser government. Only five volumes were made available to the public in 1976 and 1977.

Now, under the so-called 30-year rule that applies to royal commission documents, the National Archives released the remaining 11 "top secret" volumes in May, together with some 2,000 submissions and other documents, but in a heavily censored form. After months of consultation with the intelligence agencies, the prime minister's department, and the foreign and defence departments, the volumes were made available with passages blacked out on virtually every page, and in many instances, entire pages were blackened. All material said to threaten "Australia's security, defence or international relations" was expunged.

The release was welcomed by the Rudd government's relevant cabinet minister, Special Minister of State John Faulkner, a leading figure in Labor's so-called left faction. Faulkner said Hope had addressed the "concerns" expressed in the 1970s and his recommendations "led to the creation of Australia's modern intelligence and security agencies, with their accountable structures and legislative base".

In reality, the secret volumes underscore how the royal commission became the vehicle for a vast boosting of the staff levels, powers and resources of ASIO and its sister organisations. The censorship applied to the documents continues the whitewashing exercise performed by the Whitlam government and the Hope inquiry. Nothing new has been

revealed about the operations conducted by the agencies, except that they had "good coverage" (via infiltration) of the Stalinist Communist Party of Australia and Moscow-line Socialist Party of Australia, and that ASIO vetted all migrants to Australia to screen out "persons sympathetic to Communism as expounded by Marx, Lenin and Trotsky".

The classified reports do reveal something of the concerns in ruling circles about the public hostility toward the agencies. "Many western intelligence services have come in for attack by some members of the public on the last 3-4 years. ASIO is no exception," Hope noted. He complained of a "sustained campaign against these agencies in some newspapers". Hardly a day went by "without a leak of classified information".

Significantly, the reports indicate that Whitlam was also under considerable pressure from the US and British governments to overhaul the intelligence services. Responding to concerns that Australia could be cut off from the flow of intelligence from the CIA, Britain's MI5 and other allied agencies, Hope reported that "ASIO may have been penetrated by a hostile intelligence agency". He said ASIO's preoccupation with every part of the anti-Vietnam War movement, with protest meetings and demonstrations covered minutely, had been "at the expense of counter-intelligence work".

In his published reports, Hope admitted—without providing any details—that ASIO may have flouted the law by tapping phones, entering and bugging premises and conducting unlawful surveillance. Far from calling for any redress or prosecutions, Hope essentially proposed legalising such operations, while calling for the intelligence services to focus their work more on socialist organisations rather than Labor Party and trade union figures, who posed no real threat to the political establishment. Worried that ASIO was casting its net too widely, Hope recommended that it recruit or train university experts in Marxism to concentrate on the real "subversive" threat, including Trotskyists.

Hope also recommended an historic strengthening of the entire intelligence apparatus, via the establishment of the three new high-level institutions: (1) the Protective Security Coordination Centre (PSCC) to coordinate police, intelligence and military operations; (2) the Office of National Assessments (ONA), a central security and intelligence agency, located in the office of the prime minister; and (3) the Cabinet Committee on Intelligence chaired by the prime minister.

In the secret reports, Hope was more explicit in repeatedly insisting that ASIO, ASIS, JIO (now the Military Intelligence Organisation) and the DSD (now the Defence Signals Directorate) had to be better coordinated, and given far greater funding. Their operations and staffs had to be radically expanded, with higher pay and "particularly liberal conditions of service, salary and other emoluments", and the agencies had to be far more aggressive. ASIS, in particular, had been "conservative and over-cautious", while ASIO "should be more imaginative and aggressive in its tasking of DSD".

Hope, who had once been president of the Council for Civil Liberties,

barely mentioned civil liberties and was quite prepared to brush aside limits on DSD monitoring of phone calls and other electronic communications involving Australian residents. Under a heading “Signit and civil rights” he asked: “Should DSD intercept, process and disseminate signit messages involving Australian persons or entities?” The next 41 pages are blacked out completely.

Later, Hope recommended that DSD be permitted to continue the practice, provided it was in circumstances where an ASIO domestic intercept would be justified. Given that Hope also urged a widening of ASIO’s legal brief, from “espionage, sabotage and subversion” to cover “politically motivated violence”, “promotion of communal violence” and “attacks on defence and security”, this proviso hardly mattered.

Likewise, Hope sanctioned domestic operations by ASIS, including undercover and “special” operations involving paramilitary forces. He insisted that ASIS had to maintain and extend both its counter-intelligence role and its “covert action” capability, revealing that the US and British services had intervened in 1957 to oppose a plan to shut down ASIS. Hope noted that, like the CIA, ASIS could slip into “bad practices” of investigating Australian residents, but these could be needed for “clandestine covert intelligence”. Hope emphasised that ASIS had to operate illegally in other countries, in “unattributable clandestine activity”. That is, the foreign minister, who was responsible for ASIS, had to be able to deny all knowledge of such operations.

Until 1977, the existence of ASIS was not even publicly acknowledged. Hope recommended that the public be told about ASIS as part of a PR effort to improve “public understanding” of the spy agencies. The public subsequently became aware of ASIS’s “unconventional warfare” functions after a 1983 ASIS training operation at Melbourne’s Sheraton Hotel, in which masked and heavily-armed operatives smashed open a door, engaged in a fight in an elevator and terrified guests and staff as they ran through a lobby to a waiting car. (The Hawke government engaged Hope to conduct an inquiry into the Sheraton affair, which found that 21 serious criminal offences had possibly been committed, but neither ASIS nor Foreign Minister Bill Hayden were held responsible.)

Hope called for the work of the intelligence services to become much more central to government, under the supervision of the prime minister’s department, with the heads of each agency guaranteed personal access to their respective cabinet ministers. Because of rising global economic tensions and political instability, much greater attention had to be paid to all aspects of intelligence, including economic and strategic intelligence. As well as internal “subversion”, the agencies had to monitor issues relating to food, energy and resources.

By the time that Hope’s reports were finalised, Whitlam’s dismissal had fuelled further public concerns about the role of the security services. In November 1977, Premier Don Dunstan’s Labor government in South Australia commissioned an inquiry by Justice White, which reported that the state’s police Special Branch, with the assistance of ASIO, maintained files or index cards on 40,000 people, including Labor MPs, union members, civil libertarians and peace protestors. The revelations reignited calls for the abolition of ASIO and NSW Premier Wran announced an inquiry into the links between ASIO and the NSW Special Branch.

Just four days later, in February 1978, a bomb exploded outside Sydney’s Hilton Hotel, the venue for a meeting of government leaders from the British Commonwealth, killing three people and seriously injuring a dozen more. The blast triggered media and government claims that a “new era of terrorism” had arrived, and Wran promptly dropped the inquiry. The Hilton explosion, which remains unexplained to this day, became a mechanism for overriding objections to the implementation of Hope’s public recommendations. Two additional reports, one by former London police chief Sir Robert Mark and another by Hope himself called for further ASIO powers, the establishment of the Australian Federal Police (AFP), wider domestic use of the SAS, and the creation of state

police paramilitary units.

Like Whitlam in the 1970s, the Rudd Labor government is anxious to rehabilitate and expand the intelligence and security agencies which have, again, been publicly discredited. They played a key role in disseminating the “weapons of mass destruction” lies to justify the invasion of Iraq, and in pursuing the domestic “war on terror”. But their services are needed more than ever, amid global financial turmoil and rising social and political discontent.

In his media statement welcoming the release of Hope’s classified volumes, Special Minister of State Faulkner praised Hope’s part in ensuring “transparency and accountability”, promoting the myth that the spy agencies had changed for the better since 1977. On the very same day another example came to light of ASIO’s dirty work. ASIO’s current director-general, Paul O’Sullivan, admitted to a Senate estimates committee that the agency had known in October 2001 that its US counterparts planned to “render” detained Australian citizen Mamdouh Habib from Pakistan to be tortured in Egypt before being taken to Guantánamo Bay. Habib, who was never charged with any offence, was finally released in 2005.

Habib is just one of ASIO’s many publicly-known victims since 2001. Others include Mohamed Haneef, Jack Thomas, Izhar ul-Haque and Zac Mallah. Terrorist charges against all these men eventually collapsed. ASIO was closely involved in the false allegations against Haneef, the torture of Thomas in Pakistan, the kidnapping of ul-Haque in an attempt to force him to become an informer, and the undercover frame-up of Mallah. As under Whitlam, the Rudd government has initiated closed-door judicial inquiries to whitewash these travesties and strengthen the hand of the state apparatus.

The Street Review, commissioned into ASIO and AFP operations in late 2007, has already delivered its report, without proposing any action against the officers involved in kidnapping ul-Haque or any curtailing of police and ASIO powers. Instead, it recommended closer collaboration between ASIO, the AFP and prosecutors. In the case of the Clarke inquiry into the Haneef debacle, the government has openly indicated its findings in advance, stating that its purpose is to “restore public confidence” in the anti-terrorism measures.

The “war on terror” already has been used to give the security services resources and legal powers that they could only dream of in the 1970s. ASIO not only has vastly expanded authority to eavesdrop and carry out surveillance of all types, but unprecedented powers to secretly detain and interrogate anyone without charge or trial. Its staff of agents will reach 1,535 by mid-2009—treble the number of 30 years ago—after Labor boosted its annual budget by another 20 percent last month to \$358 million.

Historically, Labor has been instrumental in every major strengthening of the security agencies, including the Chifley government’s establishment of ASIO in 1949. The carefully-managed partial release of Hope’s secret reports must be taken as a warning that far from lessening the Howard government’s assault on legal and democratic rights, the new Labor government is preparing to deepen it.



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