

***Australia's First Spies:  
The Remarkable Story of Australia's  
Intelligence Operations, 1901-45***

John Fahey  
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There is a conspicuous lack of comprehensive and pertinent research on the early history of Australia's intelligence operations.

John Fahey, who previously worked at the Defence Signals Directorate and had served in a number of regimental and intelligence postings, has admirably filled this prevailing breach. The work is well-informed, engaging and displays a formidable command of subject matter on intelligence capabilities, the hard work of intelligence collection, the organisation of intelligence networks and the complicated correlation between intelligence and policy. Based on archival evidence, he has written a monumentally important, insightful and well-informed book of Australia's intelligence operations in the years from Federation to the end of World War Two.

*Australia's First Spies* makes a unique contribution to the secret history of Australia and its early intelligence operations that portrays a skilled synthesis of relevant material in exposing a wide gambit of under-exposed and neglected security undertakings and political activities. These range from the birth of SIGINT to insights into cryptographic systems to bureaucratic mismanagement within the defence sector to chronic underfunding and a lack of equipment to an ad hoc intelligence setup that had used unpaid services of individuals to prove information on suspicious individuals.

Eye-catchingly, Fahey also makes the case that Australia's defence planning was in a much worse position in 1939 than it was in 1914 due to, in part, political indifference that led to no cohesive intelligence system, no protocols or mechanisms coordinating either collecting and assessment and only a small number of ad hoc intelligence organisations within the armed forces. Nonetheless, Australia would eventually become an important part of the worldwide Allied SIGINT system.

It is essential reading for anyone interested in intelligence studies, international security, organisational management, information studies, Australian history and political science in general.

Much of the detailed backdrop takes place in dramatic circumstances that shift from peacetime surveillance systems to a fast-paced wartime footing like the seizure of Germany's navel codes in World War One or fighting a long and gruelling battle of attrition in coastwatching operations throughout New Guinea and the South-West Pacific during World War Two. Other elements of intelligence work are intricate and indispensable, albeit noticeably dry and mundane—as is typical of much good intelligence—like the creation of the Intelligence Corps in 1907 to make reliable maps of the Australian landmass.

At an unpretentious level, the contribution to historical debate makes a pointed case that thoughtfully reminds the reader of the need for independent capacity and value of timely and accurate intelligence in practical terms. The book is littered with examples, like the seizure of German's navel codes in 1914 or the later reliance of HUMINT to provide raw intelligence on what the Japanese were doing in Bougainville, how far they had progressed and where valuable targets such as ammunition might be hidden, that then all acted to assist in political decision-making in tough wartime conditions.

And in doing so, especially given the ever-mutating rise of conspiracy theories and 'deep state' paranoia, Fahey draws our attention back to both the mandate and legitimacy of the intelligence sector as well as the multifaceted backgrounds of those individuals who worked in the service of their country. This was often despite a lack of resources, training and no system in place to support them. There is a lot of misconception about people who work in national security and intelligence. Fahey adds an important human touch to such endeavours in exposing a range of heroic, courageous and dedicated professionals such as ex-soldier Harry Freame who was the first Australian clandestine agent killed in action—and who it is noted, today lies buried in an unmarked grave in Sydney.

It is worth adding that many chapters broach, and provide an astute judgment about, the illogic of sexism in security practice and elevate the significant contribution of woman in the workforce to meeting defence requirements. Similarly, readers are reminded of the importance of language and familiarity with Asia. While Australia might have been fretting about Japan and its intentions in various pockets of the twentieth century, the biggest early skill gaps were linguists as no white Australians could even read public statements in the Japanese press.

In more specific terms, the book offers a pointed and thoughtful starting point that contributes to a range of ongoing debates. As the author points out, two

of its central and underlying themes aim to challenge dogmatic ideas about the realities of statecraft and are consistently reinforced based on the evaluation of historical material. First, the book develops arguments that it is erroneous to portray Australian policymakers as robotically sacrificing the fledgling nation's self-interest in favour of Britain; secondly, the role of secrecy, while contentious, remains a legitimate part of the spy game at tactical, operational and strategic levels.

The first point about Australia's realpolitik manoeuvring to secure its national interests, as opposed to assumptions of a simple subservient attitude, is again developed through the strength of detailed research that reveals the launch of a clandestine intelligence collection operation against the British Empire in the New Hebrides in 1901. This hard-nosed appreciation of Australian self-interest is an important early reminder that while allies might have overlapping interests, such interests will not always be identical. In this instance, as Fahey notes, Australia's secret intelligence activity often reveals more about the real ambitions of policymakers than any official public pronouncements regarding Australia's independence. This is an age of habitual realpolitik of the highest level.

At the same time, the book balances stories of both remarkable intelligence achievements and abject failure and does not attempt to sugar-coat past mistakes or misadventures. Unnecessary disputes and turf wars are a recurring theme such as clashes between personalities and factions within the Australian military and bureaucracy. Ditto the exercise of slapdash handling of sensitive information and appalling security provisions to prevent breaches of classified information. In short, secrets flowed out of Australia like through a sieve. This involved foreign spies penetrating many Commonwealth agencies, particularly External Affairs, and stealing secrets for the Soviet Union.

Particularly striking is the assessment based on tensions around the evolving mandate of the Intelligence Corps, as to whether it should collect information on foreign countries in the Pacific or predominately focus on internal security operations against civilians. While acknowledging that crystal-ball gazing is an imperfect art, a final decision to focus on domestic intelligence is seen as highly consequential. The end result was the Military Intelligence Branch being complicit by 1945 in some of the most egregious abuses of civil liberties in Australian history. Such lessons are sobering.

It additionally offers a rare and unique understanding of other central actors in the international sphere during this timeframe. This includes the US response in the Pacific during World War Two and the organisation and effectiveness of the Kempeitai (which sits alongside the failure of the Allied Intelligence Bureau to develop a proper appreciation of the enemy they faced). The Kempeitai were the ruthless and determined Japanese secret police and Fahey provides a superb piecing together of evidence to help

explain the intricate and often grisly world of Japanese intelligence procedures and systems. This is despite notable hurdles such as the Japanese burning most of their intelligence records before occupation.

Fahey asserts that there is no better spy than an insider. *Australia's First Spies* is additionally proof that there is no better story-teller and narrator than a former experienced intelligence officer with a sharp eye for detail and a passion for the subject matter.

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