

## Intelligence in Public Media

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

John Fahey (Allen & Unwin, 2018), 434 pp, glossary and abbreviations, notes, bibliography, index.

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#### **Reviewed by Kevin Davies**

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In my 2018 review in *Studies of Cold War Games: Spies, Subterfuge and Secret Operations at the 1956 Olympic Games*, I noted a recent increase in the output of literature about Australia's intelligence history.<sup>a</sup> *Australia's First Spies: The Remarkable Story of Australia's Intelligence Operations, 1901–1945*, along with events such as the recent announcement of the commissioning of the Australian Signals Directorate's (ASD) official history, is another welcome continuation of the trend.<sup>b</sup>

According to the book's author, John Fahey, *Australia's First Spies* arose out of conversation with two of his colleagues, US Navy Capt. Fred Smith (retired) and an unnamed British colleague, who made a cutting, unflattering observation about Australia's intelligence history up to 1945. Having taken this comment to heart, Fahey—a former member of ASD (previously known as the Defence Signals Directorate) and the British and Australian armies—responded to the implied challenge and produced a most interesting insight into Australia's early intelligence activities. (xv) The book delves into many successful and unsuccessful Australian intelligence collection operations during the nation's first 44 years. The descriptions of the operations are at an appropriate level of detail, providing enough information for readers to gain reasonable understanding of the operations, their rationale, and the reasons they succeeded or failed.

Australia was federated on 1 January 1901, and its first intelligence operation was formally approved in May and received a final go-ahead in August. Most fascinating about this operation, discussed in the first chapter, was that its targets were the French and, in what came as a

bit of a shock, the British. Fahey's description of Jersey native Wilson Le Couteur's voluntary HUMINT operation against British and French activities in Vanuatu (then called New Hebrides) was a short, if positively illuminating, opening to the book. The fact that Australia was willing to spy against "the Mother country" also demonstrated the ongoing validity of Lord Palmerston's maxim that, "We have no eternal allies, and we have no perpetual enemies. Our interests are eternal and perpetual, and those interests it is our duty to follow."<sup>c</sup>

From then on, Fahey proceeds to discuss the highs and, unfortunately, many lows Australia's intelligence apparatus recorded as the new nation developed. Among the highs are the contributions the work of the Royal Australian Navy cryptographer Eric Nave made to Australia's intelligence efforts in the years before, during, and after World War II. Fahey clearly shows why Nave should be considered among the world's great intelligence figures.<sup>d</sup> Another positive aspect is Fahey's recounting of the development, and highly successful use, of the Coastwatchers who were deployed into the South West Pacific Area. A bitter element of this story, according to Fahey, is that the Australian Broadcasting Corporation played a role in the deaths of three Coastwatchers. (151)

The book also recounts the almost limitless ways in which Australia, notwithstanding its first government's recognition of the importance of quality intelligence, sabotaged development of an effective intelligence apparatus and operations, even during World War II. The worst of it is that the sabotage occurred at the highest levels of the Australian government and public service. Fahey's first example is the destruction in 1923 of the Pacific Branch,

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a. Kevin Davies, review of *Cold War Games: Spies, Subterfuge and Secret Operations at the 1956 Olympic Games*. *Studies in Intelligence* 62, no 1 (March 2018). Available at <https://www.cia.gov/library/center-for-the-study-of-intelligence/csi-publications/csi-studies/studies/vol-62-no-1/cold-war-games.html>.

b. G. Hitch, "Australian Signals Directorate emerges from the shadows to commission history of itself." Retrieved from ABC News: <https://www.abc.net.au/news/2019-07-09/asd-spy-agency-history-announced-john-blaxland/11289904>.

c. Oxford University Press. *Lord Palmerston 1784–1865*. Retrieved from Oxford Reference: <https://www.oxfordreference.com/view/10.1093/acref/9780191826719.001.0001/q-oro-ed4-00008130>.

d. For further information regarding Eric Nave, see David Dufty, *The Secret Code-Breaks of Central Bureau: How Australia's Signals-Intelligence Network Helped Win the Pacific War* (Scribe: Carlton North, 2017) and Harry Blutstein, *Cold War Games: Spies, Subterfuge and Secret Operations at the 1956 Olympic Games* (Echo, 2017). The reviewer and Dufty are now friends.

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Australia's first strategic intelligence assessment agency. The combination of factors in this destruction included the hostility of then Prime Minister Billy Hughes and the unhelpful (and inept) involvement in the political process of Pacific Branch's director, Edmund Piesse. (70–74) The failure of the Pacific Branch serves as a useful case study in how clashes between politics and intelligence can have devastating effects on a country's national security, even if the consequences are not felt until many years later.

The second example is by far, the more horrifying. According to Fahey, so poor were Australia's security procedures during World War II that ULTRA intelligence was only passed to certain Australian military officials, with members of the Australian government specifically excluded. (239) While Fahey posits that this was done with the approval of then Prime Minister John Curtin, it was shocking violation of the principles of civil-military/intelligence relations, as well as a pathetic reflection on the attitudes toward security of those members of the government. Given this general attitude to security, it came as no surprise to find that Australia was responsible for what Fahey called the "most egregious breach of [SIGINT] security in Asia during World War II," when the Services Reconnaissance Department effectively told the Japanese that their codes had been broken. (225–26) The fact that the Japanese ignored this intelligence is irrelevant: what mattered was that such a serious breach occurred at all. Consequently, examples such as these, among the other less-than-stellar behaviours Fahey expands on in chapter 20, serve to partially explain why Australia was initially excluded from VENONA. (260–61) While these were the worst, they comprise just two examples of Australia's most senior leadership seeming not to care about the importance of intelligence in the development of effective policy and strategy—even when Australia was in its *greatest* peril.

Despite its sometimes maddening content, the book itself is very easy to read. Technical descriptions regarding SIGINT-related matters are done in a manner that provides readers unfamiliar with the science and technology

of topics such as RF, and its associated collection, with enough material to understand what was being done and why. The stories range over an appropriate number of perspectives, from the high-level strategic through individual actions. This helps to ensure that readers can get a sense of the way in which intelligence developed in Australia and the nature of the individuals who were involved in it.

One small criticism is that chapter 14—"The Lions in the Den: Japanese Counterintelligence," which focuses on Japanese World War II intelligence—seems a little out of place. While Japan, rightly, features quite strongly throughout, this particular chapter details things such as *Kempeitai* selection criteria and training and has the effect of temporarily drawing readers away from the focus of the book.

The book is extremely well-researched and the referencing, notes, and bibliography are all of a high standard. Consequently, finding the source material will not be a challenge to those who have the need or interest to dig more deeply. In addition, all graphics are easy to follow and the photos provide help to put faces to some of the names of those who laid the foundation for what is now the Australian Intelligence Community.

In conclusion, *Australia's First Spies* provides a valuable first look at Australia's intelligence history in the period after federation to the end of World War II. It should serve as a jumping-off point for intelligence researchers, as many of the chapters contain stories that deserve further research. Fahey's book is suitable for readers with an interest in intelligence history at any level, and he should be thoroughly commended for this most important contribution to the literature on intelligence and, also, for proving that his British colleague was very wrong.<sup>a</sup>

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a. See also Hayden Peake's review of *Australia's First Spies* in "Intelligence Officers Bookshelf" in *Studies in Intelligence* 63, no. 3 (September 2019).



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