

## ASPI at 15

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INSTITUTE

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## Introduction

Peter Jennings

The Australian Strategic Policy Institute (ASPI) was registered as a wholly government-owned company on 22 August 2001, but as Hugh White recounts below, it was several years earlier when Ian McLachlan, the first Defence Minister of the Howard government, saw the need to establish an institute to provide an alternate source of advice on defence and strategic policy. The first public reference to what was to become ASPI was made by McLachlan during the lead-up to the October 1998 election. In a July media statement titled 'Minister Announces New Strategic Institute' (reprinted at the end of this *Strategic Insights* paper), McLachlan said:

'We hope that the institute will stimulate a revitalised debate about defence and security and that it will prove to be a valuable source of public policy ideas and expertise'.



Prime Minister John Howard and ASPI's first Chairman Professor Robert O'Neill at the ASPI Dinner 18 June 2004 © ASPI.

‘A major beneficiary will be the Defence Organisation itself - which will develop close research links with the institute.’

I was present at the meeting in McLachlan’s Adelaide offices earlier in 1998 when the Minister told Defence Secretary Tony Ayers and Chief of Defence Force General John Baker that he had decided on this course of action. It’s fair to say their initial reaction wasn’t to think of Defence as a major beneficiary of the move. But they, and subsequent Defence senior leaders, have come to accept and at times embrace the idea that policy is strengthened by contestability. That’s a far more commonly held view in Canberra of 2016 than was true in 1998.

The articles in this *Strategic Insights* paper, originally published on the ASPI Strategist website in August 2016, come from a number of individuals who deeply wanted the institute to succeed and indeed were prepared to invest their own effort to make it happen. Beyond this group the ASPI alumni comprises many individuals who have worked here, served on the ASPI Council, have made written contributions to our many hundreds of research publications, provided essential sponsorship, practical support and offered readership, practical commentary and advice.

It’s no coincidence that ASPI’s growth into robust early adolescence happened at a time when Australia was itself journeying through difficult strategic circumstances. At every point of the institute’s life the Australian Defence Organisation and many other national security agencies were constantly involved in operations overseas. This only sharpens the need for good policy. ASPI’s aim continues to be to enhance the quality of defence and strategic policymaking; to assist to bring on the next generation of Australian strategic policymakers; to lift the standard of Australia’s public debate on these issues and to promote an international understanding of Australia’s strategic and defence policy perspectives.

While turning 15 is a good time to reflect on growth and early experiences, my own view is that ASPI’s most productive years are still ahead of it. To the ASPI team and our supporters, thanks for a memorable start and best wishes for a strong and constructive future.

## Foreword from former prime minister John Howard

I remember the Cabinet discussion agreeing to provide government financial support for the establishment of ASPI. There was a strong view that an independent body providing policy advice on defence and related matters was highly desirable. In the 15 years since its establishment, ASPI hasn’t disappointed. Its reputation has grown. Its Executive Director and other senior people provide regular and sought after commentary on major defence issues as well as national security matters more generally. Reactions to the blocking of the Ausgrid foreign investment proposal is a recent example. The same can be said of the government’s decision on the new submarine fleet.

I especially recall in its early years that ASPI took a different position on the possibility of intervening in the Solomon Islands. In time the government decided on a course of action which chimed with that put forward by ASPI. It was a significant change in policy direction. Events demonstrated the wisdom of that change.

Sensibly ASPI hasn’t sought in any way to distance itself from the professionals of the Defence Department and security agencies. From my experience of participating in ASPI events, I’m conscious of a respectful relationship between the institute and those other bodies.

I wish ASPI well in future years.

## ASPI at 15: the first Chairman’s perspective

**Robert O’Neill**

My task as ASPI’s inaugural chairman was to give substance to the Australian Government’s decision in the late 1990s to establish an institution to generate independent strategic policy advice, following in the steps of the US, the UK, and other NATO allies. While the Howard government was well aware of, and respected, the existing Strategic and Defence Studies Centre at the ANU, it wanted

another body which could be taken into a closer, more confidential relationship with the Department of Defence, and focus on particular policy choices on which the government needed advice.

When I began Prime Minister Howard emphasised to me that he needed contestable advice in the defence field, not simply advice from a single source such as the Department of Defence, however valuable that was. The government also wanted another dialogue partner in the public debate, not merely to agree with its positions and support them, but also to raise major issues, giving new perspectives on the basis of expert knowledge as ASPI's director and staff members saw fit.

When the government's concept was explained to me in 1998–99, two years before I was due to retire from my chair at Oxford and return to Australia, this seemed to be a venture worth supporting. My dialogue with senior defence officials strengthened and on Thursday 18 November 1999, over dinner in London, Defence Minister John Moore invited me to become the first chairman of ASPI's board. I was pleased to accept.

From then onwards, for the next two years, the initial steps of founding the institute took much of my spare time. We had to agree on a constitution and a basic system of working which ensured that the interests of the government were properly served, while preserving essential freedom for ASPI's director and staff to develop new ideas and approaches, some of which might contradict aspects of official policy.

Fortunately, in addition to having served as Director and then Chairman of the Board of the International Institute for Strategic Studies in London, I had served for five years as the initial chairman of the board of the Centre for Defence Studies at King's College, London, which was funded by the British Ministry of Defence while being a university body. I knew there would be problems but I felt confident that with the team of people we had in Australia working on the foundation of ASPI, we'd be successful in getting the job done.

Once we knew what we were trying to develop, and John Moore had invited a few leaders from the Commonwealth public service and the business community to join an initial advisory board, we were ready to start selecting ASPI's first director. We were fortunate in attracting a strong field of applicants, and particularly fortunate in late February 2000 to be able to nominate Hugh White, who not only had all the knowledge and experience of a Deputy Secretary of the Defence Department, but also possessed a sharp and powerful mind and a track record of independence of judgement. ASPI was off to a good start.

A notional budget was drawn up and we considered what could be achieved on the basis of annual funding of between \$2 million and \$3 million. The whole prospect for the new institute looked to be not only feasible but also attractive in terms of increasing Australia's ability to deal with the kind of formidable policy choices of which I had experience over the past thirty years.

Until well into 2001, we had been operating essentially under the authority of the Minister for Defence. John Moore had been succeeded by Peter Reith in January 2001. Moore, then Reith, had the task of obtaining Cabinet approval for what had been decided upon thus far. That proved to be a slow and difficult process to navigate through, not because of the substance of the decisions but because of the high pressure of government business on ministers and their staff.

ASPI, housed in its re-furbished building in Barton, began its operating life in 2002. We moved into dealing with issues relating to Australia's neighbourhood, especially the Solomon Islands, the structure of the Defence budget, defence industrial policy and the construction of major items of equipment in Australia. A strong staff was built up and the institute began to acquire a high public profile.

It was both a pleasure and an honour to serve as the first chairman of ASPI's board of directors. ASPI, I'm glad to be able to say, has gone on from strength to strength, with a larger staff, a better resource base and a higher profile in the public debate.

Severe challenges remain for Australian security policymakers, not only in the Middle East, but also in terms of relations with China and Russia, how to limit the proliferation of weapons of mass destruction, and how to cope with the problems of climate change, population growth, food and water shortages and major outflows of refugees from troubled regions. Working at ASPI will never be dull!

## ASPI at 15: conception

Hugh White



In mid-March 1996, about two weeks after the federal election that brought John Howard's Coalition to power, the new defence minister Ian McLachlan set off in a RAAF VIP plane to visit some of the more out-of-the-way parts of his new portfolio. The CDF, General John Baker, and I went along, to take advantage of the long hours in the air to talk over with him some of the big issues he would be dealing with. It was an engaging task, because the new minister, though no expert on defence, was quick, tough, sometimes quirky and always a pleasure to deal with. We haven't had a better defence minister since, and only one who was as good. McLachlan was the true father of ASPI.

Somewhere over the Gibson Desert, flying from Alice Springs to Geraldton, during a long discussion about the US alliance, McLachlan suddenly changed the subject. 'Look, this is all fascinating, and I'm impressed by what you both have to say about it all. But I do not want to rely only on you and your colleagues for advice. I want to get expert advice from others as well—from outside Defence. Who can I talk to?'

It was an interesting question. John Baker and I replied that while lots of people talked about defence, very few outside the Defence Organisation itself really addressed the big policy choices that governments actually face, especially about capability priorities and the alignment with strategic objectives and funding. Defence was, we explained, one of the last areas of policy where there was no sustained contest of ideas between the bureaucracy and experts outside it. 'Well', McLachlan said in his brisk and rather patrician way, 'we must change that. Please put some ideas together about how that can be done'. And so the seed was sown.

Of course it took another five years for the idea to bear fruit, by which time McLachlan had left Defence and retired from politics. One might have expected his idea to die with his departure. Instead it survived and flourished because it was picked up and pursued quite vigorously by his successor, John Moore, and by John Howard himself. And it's worth asking 'why?' ASPI today has an air of inevitability as an established and respected part of the defence and security landscape. But why did three politicians as different as McLachlan, Moore and Howard—and they were very different characters—all put real effort into making ASPI happen?

After all, there were always going to be risks and costs including, in particular, significant political risks. When in 2000 the Cabinet came to decide to actually establish the institute in its current form, real concerns were raised about the problems ASPI might cause when, as seemed inevitable at least occasionally, it published views contrary to the government's. Howard especially was never one to take such risks lightly, so why did they push ahead?

To answer that question we need to recall that in their mind ASPI's primary purpose wasn't to contribute to public debates about defence policy, but to provide an alternative source of policy ideas for government. This was plainly set out in the cabinet submissions and decisions, and in the public presentation of the initiative. The aim was to help government itself make better defence decisions.

Now that seems rather strange. One gets little sense that today's governments feel much doubt about the quality of their defence decision-making, or much interest in hearing and debating alternative views. Indeed one gets little sense that politicians on either side of the aisle think much about defence policy at all. So what was different back then?

I think one can spot three factors. First, in the mid to late 1990s people's approach to defence policy was still heavily influenced by the examples and standards set in the 1970s and 1980s. These were exemplified perhaps most strikingly by the Dibb Review, which was published just a decade before that conversation over the Gibson Desert. Compare the rigour, clarity and detailed argument of the Dibb Review, and the 1987 White Paper that followed it, with the sloppy rhetoric of our three more recent White Papers and you will see how different expectations were.

Second, as the ASPI seed was germinating in the mid to late 1990s Australian leaders were becoming increasingly aware that some of the assumptions underlying the policies of the 1970s and 1980s were no longer valid. Already they saw how two big trends—instability in our near neighbourhood and the shifting major-power balance in Asia—required new policy responses. Ministers like McLachlan, Moore and Howard wanted and expected those new responses to be developed and debated with the same rigour and discipline shown in the Dibb Review, and they saw the kind of contestability that ASPI could provide as central to that.

But then, third, the politics of defence and security were transformed. In the 1990s these were really politics-free zones, but that all changed within a few weeks of ASPI's formal establishment in August 2001. After 9/11 these issues moved to the centre of national politics, and came to define John Howard's leadership. Looking strong on national security became the key political imperative, and no one wanted to think too carefully about whether the things they were doing to look strong made any real policy sense. The quality of defence policy slumped, and demand from government for independent policy advice largely evaporated. ASPI's focus inevitably swung round to contributing to public debates not government policymaking.

This it has done very successfully. But the imperative for a lively contest of policy ideas within government is even more urgent now than it was when McLachlan first expressed it over the Gibson Desert. To fulfil his vision, governments need to start asking ASPI—and others—to nourish their own thinking about defence in a much more vigorous way.

## ASPI at 15: reflections of former defence minister Kim Beazley



This is an era of intense political news management by governments. It's an extraordinary thing that one of the governments that has been most effective at it, the Howard government, put in place an organisation whose purpose would inevitably be to shine a light on the dark corners of the largely arcane functions of a critical government agency. That wasn't ASPI's main purpose of course. That was to provide informed discussion of the defence of the nation to better shape public debate.

It's possible some in governing circles hoped they were creating a propaganda arm for the broader function and the government's handling of it. That was never going to happen. Credibility is based on integrity. The types of academic and public official finding their way onto ASPI's staff would always comprehend that. To their credit, successive governments have accepted that, though sometimes through clenched teeth.

Australia is think tank starved. Those we have are very good. However, insofar as they encompass the subject matter of the ASPI programs, they broadly stop at the point of intersection between foreign policy and strategy. Historically, only SDSC at the ANU has crossed into the more granular aspects of national security policy. SDSC's work in the 1970s and 1980s demonstrated the capacity for public discussion of national security issues, both to influence policy and shape public debate.

I've written elsewhere of how vital that work was for the policies adopted by the Hawke and Keating governments. That was an era when the national security debate dominated politics. Domestic issues were important but national security aroused the passions. Since planning for the defence of the continent was one of the major reasons the Australian colonies federated, that was only appropriate. The reality has been, absent hot or cold war, that defence is a distant electoral concern.

Des Ball described the 1970s and 80s as the 'golden era' of defence policy. But the influential figures on defence policy external to government fitted into one of the committee rooms of ANU's University House. The addition of ASPI to the defence think tank ranks meant that we could at least fill the major meeting room. Indeed ASPI now provides a bigger one.

The Cold War narrowed and focussed the defence debate and function. The post-Cold War era has seen a surge in the complexity of the national security issues confronting defence planners. They've been taken well beyond the confines of the policy territory handled by the defence agencies. Interestingly, that's reflected in ASPI's research programs. In 2001, there were three: Strategy and

International, Operations and Capability, and Budget and Management. Now there are seven: Defence and Strategy, International, Cyber Policy, Strategic Policing and Law Enforcement, Border Security, Counter-Terrorism, and Risk and Resilience.

ASPI came along not a moment too soon. One month after its creation, the events of 9/11 took us out of the sunny uplands of the post-Cold War glow into the abyss of seemingly insoluble issues of confessional disputes, centred in the Middle East but of global reach. As they've evolved, one consequence has been the creation of a crisis of people movement as catastrophic as the aftermath of World War II.

Climate change has added new security challenges to the mix, as well as exacerbating old ones. And, to complicate things, the rise of new powers is not entirely peaceful. Technological change likewise produces new opportunities and challenges for old states, new powers and able non-state actors. ASPI's staffing numbers for its first 10 years hovered between the original nine and 15—useful but rather small. The last five years has seen that grow to 37.

For me, the original group of programs remains critical, though the others are essential. The *Cost of Defence* is the seminal document. Mark Thomson has led the process, and Janice Johnson its production, from the very beginning. The product is unequalled globally in its accessibility to a non-specialist but interested member of the general public. Mark's writing on the funding of defence stamps reality on the broader debate.

ASPI's analysis exposes the consequences of the peace dividend we've taken since the early 1990s. Even with recent spending increases, our defence budget doesn't go beyond 7% of government budget outlays and 2% of GDP. In the 'golden era', we were above 8% and 2.3% respectively. Defence would be operating with \$5 billion more per annum were we still there.

That makes obtaining value for money significant. ASPI analyses of defence acquisitions are invaluable in illuminating that task. The addition of *The Strategist*, created coincidentally with the staffing surge, has ensured regular exposure of the best thinking in this area. It has also provided a forum for the broader issues debate. Over a thousand pieces were published on *The Strategist* in 2015. ASPI's events—over 100 of various types in 2015–16—greatly add to the public strength of the institute's contribution.

Generally, but not always, this contribution would be viewed as an asset to the defence function in official circles. Among other government agencies competing for the taxpayer dollar, that wouldn't be seen as being of unalloyed merit. But it's hard to see how we could have an effective public discussion and for defence to receive the saliency it needs otherwise. A combination of rising costs and falling revenue due to the diffusion of public focus to social media are driving down the capacity of conventional media to sustain informed attention. Happy birthday and many long years to you, ASPI.

## ASPI at 15: past, present, and future

Stephen Loosley



There's a Chinese perspective that holds there are two kinds of time. Looking back is far more valuable than looking ahead, for it's by looking back that lessons are understood and appropriate conclusions drawn. So it is with ASPI.

The creation of ASPI in 2001 by the Howard government, with the support of Kim Beazley's Labor Opposition, represents a rare Canberra decision.

Not only has ASPI met expectations, it has consistently exceeded them. Centring the policy debate in defence and national security, crafting intelligent and effective policy options, and reaching out to Australians interested in strategic policy, ASPI has achieved a record of influential contributions while not losing its understood need for objectivity and balance.

ASPI may occasionally have annoyed defence ministers, on both sides of the aisle. But that reflects an essential core of the institute's brief: to contest advice to government and to promote active debate on the issues.



Even the most aggrieved defence minister over the years would stop well short of accusing ASPI of partisan positions. It's been singularly free of such behaviour and its reputation and relations with Parliament confirm this continuing reality, which has characterised its first 15 years.

Much of the credit for ASPI's success should be shared deservedly among its leaders: Chairs Bob O'Neill and Mark Johnson and Executive Directors Hugh White, Peter Abigail and Peter Jennings. Peter Jennings, in particular, has built upon solid foundations to guide ASPI into new dimensions: from authoritative policy conferences; to closer relations with business and industry; to becoming the accepted policy engine on issues ranging from budgeting through cybersecurity to submarines; while being a dominant voice on national security in the public arena.

Prime Minister John Howard was determined to make ASPI bipartisan, just as the Community Consultation process for the 2001 Defence White Paper (and subsequently the 2009 document) had been. To that end, he asked Kim Beazley to nominate a representative, who turned out to be me.

During the ensuing 15 years, I represented Kim Beazley, Simon Crean, Beazley (again), Mark Latham, then prime ministers Kevin Rudd and Julia Gillard and, finally, Bill Shorten. The standing joke at ASPI became that I'd survived more purges in the ALP leadership than a member of Stalin's Politburo in Moscow in 1937.



Former Prime Minister Julia Gillard



Former Prime Minister Tony Abbott

The ASPI Chairmanship was a great honour, confirmed by Kevin Rudd on then defence minister, Joel Fitzgibbon's recommendation, and subsequently reaffirmed by Stephen Smith. Both Julia Gillard and Tony Abbott were content to see me serve.

The point about the above is that I was privileged to be present at the creation of ASPI and have watched its astounding growth and extraordinary success.

It wasn't always a rose garden. There were elements in the Defence Department bureaucracy who wanted ASPI shut down and for a while this appeared probable. Peter Abigail was outstanding in adversity and eventually we emerged intact.

This isn't to claim that ASPI hasn't made mistakes. The institute has been guilty of speculative commentary in earlier days, for example. But those days are long gone and the current crop of ASPI researchers and analysts are among the most able found anywhere. This statement is validated by ASPI repeatedly being numbered among the best 'think tanks' in the world.

Part of the reason is that ASPI has attracted intellectual capital of a high order, people who are accomplished in their fields. ASPI Councils, often comprised of very gifted individuals, have supported innovative programs and exchanges, backed original research endeavours and encouraged a spirit of enquiry. Excellence is routinely the goal.

## What's next for ASPI?

Given its aspirations and levels of support beyond Defence, consideration should now be given to changing the ASPI model. Severing the formal tie with Defence, while retaining research and resource links, should be on the structural agenda. The RAND model beckons, with an independent board, reputational excellence for scholarship, strong private sector links and challenging briefs from both government and non-government sectors.

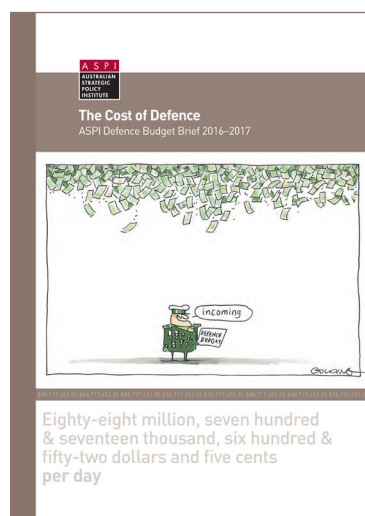
For ASPI to grow in its second 15 years and to cast its policy influence well beyond Australian shores, a new ASPI configuration is needed.

## ASPI at 15: the cost of Defence

Mark Thomson

Since ASPI was established in 2002, the annual *Cost of Defence* has delivered 3,579 pages on defence budgeting and management. In total, that's something like a million words, plus several thousand charts and tables.

Most of what I've written has already been forgotten (including by me), and I suspect that what remains will soon fade from memory. That's okay; those forgotten words are the spent ammunition of past policy debates. I suspect, however, that the numbers I've collated over the past 15 years will stand the test of time. For better or worse, numbers allow for seemingly authoritative comparisons between past and present. With that in mind, and to celebrate ASPI's birthday, here's a largely by-the-numbers comparison of Defence in 2002 and 2016. Unless otherwise noted, all financial figures are in 2016–17 dollars.



Over the past 15 years, the defence budget has grown from \$20.1 billion to \$32.4 billion, a 62% real increase. In terms of GDP share, the change is far less impressive; a rise from 1.77% to just 1.88%. Similarly, the share of government spending going to Defence has barely moved; in 2002 it was 7.2%, today it's 7.3%.

	2002	2016
Total Spending	\$20.1 billion	\$32.4 billion
% of GDP	1.77%	1.88%
% of Commonwealth Payments	7.21%	7.30%

Qualitatively, there are further parallels between today and 15 years ago. We are again in the early stages of implementing an ambitious new Defence White Paper and, once again, it's proving hard to actually spend the money. Some things don't change.

One thing that has changed is the make-up of the budget in terms of capital investment, personnel costs, and operating costs. Investment has grown by 120%, operating costs by 46%, and personnel costs by 39%. The much more rapid growth of capital investment reflects the ongoing modernisation of the force. Looking back over the past decade and a half, we've seen a number of new capabilities enter service, including four new fleets of helicopters (ARH, MRH-90, MH-60R, CH-47), a new aerial refueller (KC-30A), a new fighter (F/A-18E/F), a new tank (Abrams M1), two new amphibious lift vessels (LHD), and an entirely new AEW&C capability (Wedgetail). Along the way, the Army has also picked up a couple of additional battalions, including a regular commando regiment. There's no doubt that today's ADF is stronger and better equipped than it was in 2002.

	2002	2016
Investment	\$4.9 billion (24.4%)	\$10.8 billion (33.5%)
Personnel	\$8.3 billion (41.5%)	\$11.6 billion (35.7%)
Operating	\$6.9 billion (34.2%)	\$10.0 billion (30.0%)



On the personnel numbers side, the full-time force has increased in size by 14% with the lion's share of the growth supporting a larger Army. In comparison, the Reserve force has remained about the size it was, as has the civilian APS workforce—though in the latter case the workforce has only recently contracted from a peak of around 21,000 reached in 2012. On the surface, it looks as though there's been a dramatic fall in the number of contractors performing agency roles within the department—from more than 2,300 to less than 500—but the numbers cannot be trusted. Defence now employs large numbers of external personnel under group contracts (sometimes referred to as capability partnerships) that don't fall under the old definition of contractors.

	2002	2016
Navy	12,847	14,394
Army	25,587	30,430
Air Force	13,646	14,385
<b>Total</b>	<b>52,080</b>	<b>59,209</b>
Reserve	19,620	19,110
Civilian	18,285	17,950
Contractors	2,311	490

In terms of recruitment into the permanent force, nothing much has changed. The latest reported result was the same as for 2002; 84% attainment of the recruitment target. Over the same period, the separation rate has fallen from 9.8% to 9.1%, with some substantial excursions higher and lower in the years in between.

One difference is clear; the rank/level structure of the ADF and Defence APS has become more top heavy over the past 15 years, with growth in executive and senior officer positions far outstripping the growth of the overall workforce. Planned workforce rationalisations under the First Principles Review (many of which are already reflected in the 2016 figures) won't bring the numbers anywhere close to 2002 levels. Similar trends have occurred across other government agencies—it's been a good time to be on the public payroll.

	2002	2016
Civilian SES	130	152
Star-rank ADF	120	186
Senior Officers (APS)	3,824	5,767
Senior Officers (ADF)	1,507	2,079

The management of resources by Defence has been the focus of three major reviews since 2002; Proust in 2007, Pappas in 2008, and Peever in 2015 (what is it with the P's?) and two major reform programs, the Strategic Reform Program in 2009 and the First Principles Reforms in 2015. Even the most hardened cynic would have to concede that Defence is better managed today than it was in 2002. Financial and human resources are more tightly managed, and there's a greater unity of effort than there was in the past. The real test will be how well the (yet again) revamped force development and acquisition system handles the raft of projects envisaged in the White Paper.

In summary, compared with 2002, the ADF is a little larger, somewhat better managed, much better equipped, and a lot more expensive. Readers wanting more detail can find the 3,579 pages of the collected *Cost of Defence* series free to download on the ASPI website.

## ASPI at 15: the Solomon Islands paper and the role of think tanks

Elsina Wainwright

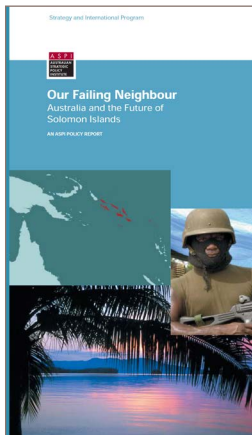


I vividly remember learning in mid-2003 that the Howard government was going to intervene in Solomon Islands along the lines of ASPI's [Solomon Islands report](#). It was exciting that ASPI was contributing to government policy. But I was also apprehensive: while think tank analysts are used to putting forth ideas, they're far less used to seeing their ideas implemented, particularly with such a policy shift.

I had worked with ASPI Director Hugh White to prepare the paper, along with contributors Quinton Clements, Mary-Louise O'Callaghan, and Greg Urwin, and with Solomon Islands' perspectives from Sir Fr John Ini Lapli and Sir Peter Kenilorea. Hugh White and I believed

Canberra's longstanding Southwest Pacific policy of providing aid but expecting states to solve their own problems was not addressing Solomon Islands' political and security crisis. Australia's interests were engaged by this crisis, the Solomons government wanted Australia's help, and we believed the policy should change.

ASPI was able to do three things with the Solomons report. First, it provided an input to the government's decision to intervene. According to the recently released official history of Australian peacekeeping, Prime Minister John Howard overruled his officials and decided to intervene in response to Solomons Prime Minister Sir Allan Kemakeza's written request for assistance.



Second, once that decision was made, it needed implementation. The ASPI report provided a ready-made, high-level blueprint. We proposed the operation should be police, rather than military led: the security challenges facing Solomon Islands were of a kind best tackled by police, and the optics of a police-led operation would be more benign.

Such an intervention would require Solomon Islands' consent and should be multinational, with regional endorsement and participation. It should have two phases: the first would address the law and order crisis, and the second would be a comprehensive, long-term capacity building program to tackle governance and economic challenges which were fuelling the crisis.

And third, ASPI contributed to public discussion on why Australia was embarking on such an operation and how Australia's strategic interests were engaged. It helped explain how the crisis could destabilize the broader region, particularly PNG, and how Australia might not be able to insulate itself from any fallout. We also described how Australia, as the largest regional power, had a responsibility—and

interest in being seen—to be a good neighbour and assist.

While the Regional Assistance Mission to Solomon Islands (RAMSI) broadly accorded with the ASPI report, it departed from our recommendations in a few key ways. In particular, we had recommended setting up an *ad hoc* agency, acting on behalf of Solomon Islanders, to temporarily control police and financing functions. RAMSI, however, left those functions under Solomon Islands government's control. RAMSI's minimal model was certainly easier to implement, but it left some of those implicated in the crisis in positions of power and RAMSI exposed to changing political alignments.

RAMSI quickly brought an end to the violence in Solomon Islands. The capacity building phase was always going to be imperfect, difficult and costly. Today Solomon Islands still has real challenges, not least the challenge of an island economy. But RAMSI could never have solved all Solomons' challenges, as it couldn't overcome Solomons' geographical constraints. And nation building has proven enormously hard in every instance globally.

When I moved to a New York think tank in 2008, it became clear that the United Nations policy community and the US State Department stabilisation operations section regarded RAMSI and Australia's deployable policing capability as real policy innovations, from which lessons could be learned.

Along with other early ASPI papers on East Timor, Papua New Guinea, and the merits of a deployable civilian policing capability, the Solomons report recommended an increased regional focus for Australia and an increased role for Australia's police in protecting Australia's interests abroad. It exemplifies how policy contributions can come from outside conventional bureaucratic channels.

An external contribution seemed to work especially well at a moment of policy inflection; perhaps it was easier for a significant change in policy direction to come from outside. ASPI could propose a policy alternative so far from the orthodoxy that it would have been hard to formulate within government. It also would have been easier for the government to disavow if it received strong criticism or didn't work. With its perspectives from and communication with eminent Solomon Islanders, ASPI could also serve as an indirect intermediary between Australia and the Solomon Islands.

Such policy contributions should be one of the key roles of think tanks. There should be more interaction between government, think tanks and academia and the private sector, with more policy contestability and cross-fertilization of ideas, and less territoriality about their provenance. Canberra still trails Washington in this regard.

It was a privilege to be 'present at the creation' of ASPI and the expanding foreign and defence policy think tank space in Australia. Under the masterful guidance of Hugh White and ASPI Chair Robert O'Neill, and with tremendous colleagues in Mark Thomson, Peter Jennings and Aldo Borgu, ASPI was an intellectually stimulating and collaborative place to work. Hugh, Bob and the board encouraged policy entrepreneurship, and supported us when there was pushback. It was a pleasure to come to work each day.

I'm proud of what ASPI achieved in its early years and pleased it remains such an important voice on Australian strategic policy.

## ASPI at 15: 30 in 2031?

**Peter Jennings**

Having looked back at ASPI's first 15 years it may be useful to contemplate what the next 15 years might look like for the Institute. Will ASPI survive to 2031? Will there be a need or, more fundamentally, a demand for its work? How different might ASPI be in 15 years, and what will the wider policy and think tank environment be like?

The honest answer, of course, is: who knows?! We're talking about a future at least five federal elections away—an eternity to some Canberra institutions—at a time when the pace of change in Australian public and strategic life is dramatically increasing. But it's not as though policy challenges will go away. That gives rise to the hope that governments, parliaments, officials, journalists and business people will still want contestable policy advice. No thinking think-tanker would want to pin their institution's future on just such a hope. In a decade and a half perhaps policy contestability will emerge from artificial intelligences grown in strangely glowing gloopy miasma—think vats.

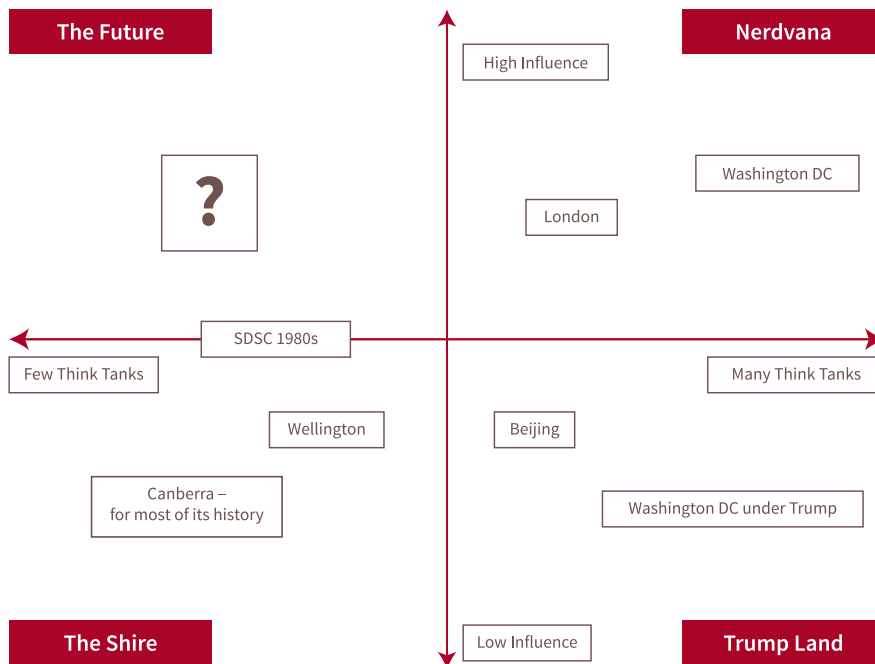
But I digress. Let's turn instead to something as lasting as the stars, which is the robust intellectual framework known in business schools as the two-by-two. Here I contend that four broad future possibilities exist for Australian policy think tanks. These futures reflect the interaction of the two most fundamental drivers in the lives of such institutions: the degree to which there is a demand for their product—that is to say the influence they have on the policy world, and second, the competition that exists in the think tank field—how many institutes are out there, slugging away for influence? The combination of these factors is shown below.

An environment where there are multiple think tanks exerting a high level of influence on public policy—let's call this place 'Nerdvana'—does actually exist in Washington DC and to a lesser extent in London. With a Metro ticket and a pair of loafers one need never lunch alone in Washington DC. The city's think tanks are full of serious people with serious ideas and a high expectation they'll be listened to by officials, many of whom were and will be again, think tankers.

America's political environment and sheer size encourages Nerdvana. Think tanks act as holding pens for talented people who support the major party not presently running the White House. American universities produce a stream of high quality graduates whose very definition of heaven is to cuddle up with the latest General Accounting Office report. They work for a pittance producing high-quality analysis. The US system isn't afraid of ideas and thrives on contest. Finally, deep-pocketed Americans

bequest think tanks with large endowments. For the right amount of money you too can have a chair named after you in lecture theatres all around K Street. For all those reasons Nerdvana by the Molonglo is unlikely. The political environment is simply too different.

### Think Tanks in 2031



Could there ever be a world where we see large numbers of think tanks operating in an environment where they have relatively low influence? This might be thought unlikely because low influence think tanks generally won't attract money (and therefore survive) for long. However Washington DC might offer an example of this if Donald Trump wins the Presidency. Welcome to Trump Land. Large numbers of Republican-supporting strategists have already said they won't serve in a Trump administration. DC's think tanks could become homes for two establishment parties out of office. They'd aim to outlive Trump hoping he'd be a one term wonder. Beijing's many think tanks also strike me as living in a low influence Trump Land. Whatever they're there to do, it's most certainly not about creating contestability in public policy. That said, Beijing's think

tanks do quietly try to shape official policy, which they can do by being more open to foreign contacts and thinking. It's a narrower crawl space than in Western capitals.

The left-hand side of the diagram is where Canberra's think tanks operate. Obviously they are fewer and smaller than their US counterparts. For most of Canberra's history the town has operated as The Shire—a quiet place where the smallness of think tanks was matched only by their ineffectiveness. Today, people wouldn't believe the privations of mid-1980s Canberra which greeted me as a Masters student at the ANU. Back then coffee was instant, Civic closed (all of it) at noon on Saturday and Iced VoVos were 5 cents each in the HC Coombs Building tea room. There was the Strategic and Defence Studies Centre and it's true to say it had a substantial impact on defence policy thinking in the lead up to the 1987 Defence White Paper. But that was it. The rest was heat haze and closed shops, mentally and physically.

Finally we come to The Future, the quadrant where we find some relatively influential think tanks, which is where a positive assessment of Australia's think tank landscape might take us by 2031. Now, compared to the 1980s, there are already a number of established institutions, not only in Canberra but also Sydney and Perth, where strategic policy is seriously discussed. The media, parliament, business community and many government officials accept think tanks as a legitimate part of the policy landscape. There's also a more widespread community expectation of being engaged on the content of policy. As senior politicians keep telling us, the public service struggles to meet those expectations and that's where adroit think tanks can cultivate influence. It's hard to see these factors reversing as we move towards ASPI's 30th in 2031.

That said, no one owes any of us a living. All think tanks are only as good as their last report and it's the contest of ideas that encourages new thinking. The price of relevance is to reach for excellence. That's what makes a place like ASPI worth supporting for, I very much hope, another 15 years.

## Office of the Minister for Defence

### MEDIA RELEASE

Thursday, 18 June 1998

#### MINISTER ANNOUNCES NEW STRATEGIC INSTITUTE

A new Institute of Strategic Policy will be established to promote research and discussion on defence and security issues, the Minister for Defence, Mr Ian McLachlan announced today.

Addressing military officers attending the Joint Services Staff College in the ACT, Mr McLachlan said he hoped the new institute would inspire greater public debate on defence and security issues in Australia.

The institute, which will initially cost more than \$1.5 million annually, will be funded from the existing Defence budget, but will not be precluded from seeking private sector support.

“We hope that the institute will stimulate a revitalised debate about defence and security and that it will prove to be a valuable source of public policy ideas and expertise,” Mr McLachlan said.

“A major beneficiary will be the Defence Organisation itself - which will develop close research links with the institute. I want to stress that the work of the institute will be conducted in an independent, non-partisan way.”

It is hoped the Institute of Strategic Policy will be open for business early next year, its location has not yet been decided.

The Defence Department will soon call for expressions of interest from universities and other institutions around the country to host the facility.

While the final shape of the institute has yet to be determined, it is anticipated a Board of Directors, including senior Defence and public service officials, academics, researchers and personnel from the private sector, will create and run the facility.

Institute staff is expected to comprise about a dozen researchers plus support personnel from academic, public and private sector backgrounds.

Mr McLachlan said the lack of in-depth discussion of strategic matters was disappointing as Defence represents a substantial national enterprise with a total of more than 100,000 employees and a budget of \$10.96 billion.

“The new institute represents a significant level of Government support for an initiative that is long overdue,” he said. “It should be able to contribute in a substantial way to improving public understanding and debate about strategic issues.”





ASPI Council 2003, from left back row Robert O'Neill (Chair), Roland Williams, Adrian Clunies Ross, Ric Smith; front row from left Jim Carlton, Des Moore, Ashton Calvert, Jocelyn Newman, Stephen Loosley.



Former Prime Minister Kevin Rudd launched the ASPI/Brenthurst Foundation study, *Fuelling the Dragon: Natural resources and China's Development* at the Africa Down Under Conference in Perth, 29 August 2012. Pictured are Peter Jennings, Kevin Rudd and from the Brenthurst Foundation, Thomas Nzirimana and Terence McNamee.



ASPI Council 2005, from left back row Paul McClintock, Michael L'Estrange, Stephen Loosley (Chair), Roland Williams, Jim Wallace, Ric Smith; front row from left Jim Carlton, Des Moore, Alan Dupont, Adrian Clunies Ross, Jocelyn Newman.



ASPI staff 2016. Executive Director Peter Jennings and former Chairman of ASPI's Board, Stephen Loosley at front.



ASPI Council 2012, from left back row Ryan Stokes, Robert Ray, Russell Trood, Stephen Loosley (Chair), John Blackburn; front row from left Alan Hawke, Samina Yasmeen, Alison Jones, with ASPI's Executive Director Peter Jennings.

Alexander Downer (not in these photos) served on the ASPI Council January 2013–December 2015.

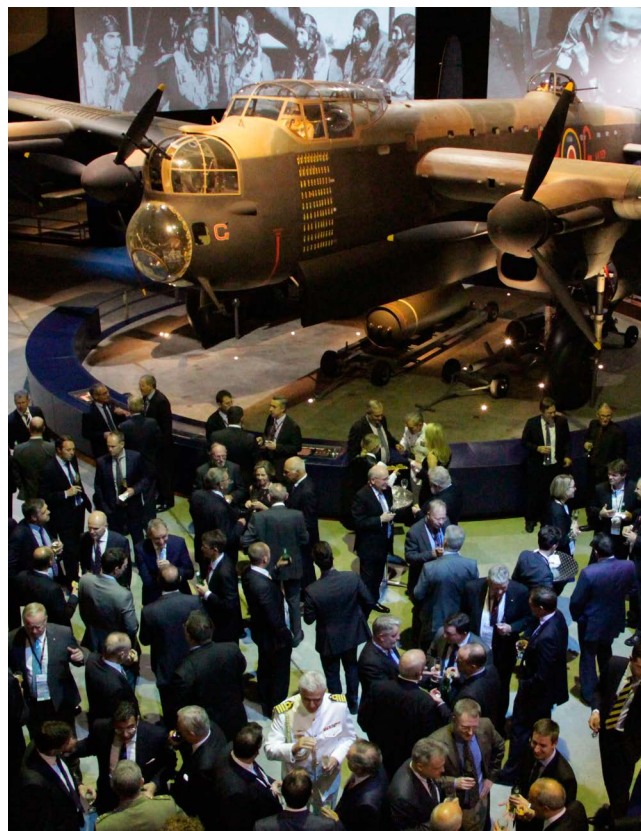


Participants at an ASPI Women in Defence and Security Network meeting on 4 August 2016, (left to right) Nicole Seils, Head of Government Relations, Lockheed Martin Australia, Catherine McGrath, Chief Political Correspondent, SBS TV; ASPI's Lisa Sharland; Justine Saunders, Acting Deputy Commissioner for Operations, Australian Federal Police; and Air Vice Marshal (Ret'd) Margaret Staib AM CSC and member of the ASPI Council.





The second Aus-Africa dialogue, co-hosted by ASPI and the Brenthurst Foundation, was held in Zambia, 10–14 September 2015.



ASPI's international conference on Australia's Future Surface Fleet 30 March–1 April 2015 included dinner at the Australian War Memorial.



ASPI co-hosted a multilateral counterterrorism conference with German think tank Konrad Adenauer Stiftung in Canberra, 19–21 October 2015.



Former Indonesian President Susilo Bambang Yudhoyono, Australia's Defence Minister, Senator the Hon Marise Payne and Ambassador of the Republic of Indonesia to Australia, His Excellency Nadjib Riphath Kesoema at ASPI's Defence White Paper conference, 6–8 April 2016.



Then Communications Minister and now Prime Minister the Hon Malcolm Turnbull MP launches ASPI's inaugural report on *Cyber maturity in the Asia-Pacific 2014*, 14 April 2014.

## About the authors

**Kim Beazley** is a distinguished fellow at ASPI. He is a former Minister for Defence and recently returned from a six-year term as Australia's Ambassador to the United States.

**John Howard** served as Prime Minister of Australia from 1996–2007.

**Peter Jennings** is executive director of ASPI.

**Stephen Loosley** served as a council member of ASPI from its inception and as chairman from 2008–2016.

**Robert O'Neill** is a Professor Emeritus of Strategic and Defence Studies at the ANU, and was previously the head of the Strategic and Defence Studies Centre, director of the International Institute for Strategic Studies (1982–87), and chairman of the IISS (1996–2001).

**Mark Thomson** is a senior analyst at ASPI.

**Elsina Wainwright** is an Adjunct Associate Professor at Sydney University's US Studies Centre and a Visiting Fellow at New York University's Center on International Cooperation. Now based in New York, she was ASPI's first Strategy and International Program Director.

**Hugh White** is professor of strategic studies at ANU. He was ASPI's inaugural executive director from 2001–2004.

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Strategic Insights are shorter studies intended to provide expert perspectives on topical policy issues. They reflect the personal views of the author(s), and do not in any way express or reflect the views of the Australian Government or represent the formal position of ASPI on any particular issue.

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