

STRATEGY

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Scoping Studies: New thinking on security

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AUSTRALIAN
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Director's introduction

With the election behind us, this is an important time to survey the range of issues concerning defence and security policy that the incoming government has to look at, and the approaches it might take to address the challenges.

Shortly before the 9 October 2004 election, ASPI decided to commission a wide group of strategic thinkers to tell us what they thought should be at the top of the Australian Government's new policy agenda. *Scoping Studies* is the exciting result.

This special issue of *Strategy* offers a smorgasbord of ideas from a diverse group of authors. Some have been in Defence and defence-related industry, as well as academics who have devoted their efforts to deepening our understanding of defence and security issues, and former senior military officers who contribute their many years of experience to the task. The final product is a very diverse and engaging set of opinions.

Our request of all contributors was the same: 'to tell us what you think are the most critically important five or six things the next Australian Government should do in defence and security'. We offered a deliberately broad canvas and invited our contributors to take up this challenge with few other restrictions about how to approach the task. We asked only that they took account of three basic requirements to give their views relevance to the current circumstances:

- first, that the proposals reflect clear, fiscally realistic policy ideas
- second that emphasis is given to providing new policy ideas
- third, recognising ASPI's charter is to be non-partisan in our work, to avoid an approach that is overtly partisan about the government or opposition.

Although we did not seek to coordinate any of the responses from our authors, a striking common theme is the need for government to develop a framework for national security policy—of which the Defence Force will be an important part, but by no means the only policy response.

In publishing this edition of *Strategy* our aim is not to provide a vehicle to critique existing party policies, but to produce a document that would be of policy interest to a new elected or a re-elected government.

In addition to thanking all of our authors for their contributions and ideas, I must also acknowledge the efforts of ASPI's staff for developing the concept and bringing the individual essays together into our usual high quality format. I particularly would like to thank our research and information manager, Janice Johnson, for her tireless efforts managing the production of this paper.

The views presented in each of the essays are those of the individual contributors. My thanks to them for taking this opportunity to offer us some new perspectives on these critically important defence and security issues.

Hugh White

Director



One

THE DIPLOMATIC UNDERPINNINGS OF SECURITY

Coral Bell

Whether John Howard or Mark Latham is in the Prime Minister's chair when the new Cabinet meets, the Australian national interest will be precisely the same: the security and prosperity of the Australian people, and the maintenance of a world system congenial to our hopes of justice and welfare for ourselves and other peoples. The policy makers' focus must therefore be on the strategies—diplomatic and economic rather than military—by which those objectives can best be advanced. Given the events of the past year or so, most of the arguments will be about how to balance our alliance with the US against our many other diplomatic and economic relationships, and our special security commitments in this part of the world. That is the subject on which a Latham Cabinet might tend to make decisions at variance with those made by a Howard Cabinet. But though that may well be the most important item on the agenda, it cannot be the earliest to be resolved, assuming that the US election still lies in the future. For the question of who will be in the White House in 2005 is the largest of the question marks that at present lie across the world.

So the policy makers' attention should initially be directed to other matters:

1. Rethink Australia's stance vis-à-vis East Timor on maritime boundaries and the oil resources that lie under them. Australia's current position looks like the rich man in his castle stealing crumbs from the poor man at his gate. Australians already enjoy enormous space per capita, and the Law of the Sea gives us an exclusive economic zone that doubles the size of continental Australia. In addition to all those territorial riches, we are now demanding that the maritime boundary with East Timor—one of the smallest, poorest, least powerful countries in the world—be

The future economic viability of East Timor is vital to us. If the government there is so starved of revenue that it becomes a failed state, we will have to pick up the pieces...

drawn at the edge of the continental shelf; thus, giving Australia the lion's share of the oil revenues that East Timor must depend on for its very survival. That stance may be in the interest of local oil companies, but it is contrary to the national interest. The future economic viability of East Timor is vital to us. If the government there is so starved of revenue that it becomes a failed state, we will have to pick up the pieces, possibly in competition with renewed Indonesian ambitions to take over again. The median boundary, equidistant from the two coasts, would look like a 'fair go' to most Australians. The new policy makers should adopt it.

Reinvigorate and clarify the security regionalisation (and develop some economic regionalisation) of the small Pacific island sovereignties in our neighbourhood, in cooperation with New Zealand.

2. Reinvigorate and clarify the security regionalisation (and develop some economic regionalisation) of the small Pacific island sovereignties in our neighbourhood, in cooperation with New Zealand. The first process has already been going on in an ad hoc, pragmatic fashion with the interventions in East Timor, Bougainville, the Solomon Islands and Papua New Guinea, but lacks an adequate framework of agreed conventions. Though there are enormous differences between the two contexts, one overlooked lesson of the European experience is that security regionalisation is easier than economic regionalisation, because there are fewer vested interests to square. NATO was put together in 1949, but the European Union did not really get up steam until 1957. Now they reinforce each other, as security and economic regionalisation could in the Pacific. And the sooner the better, because there are rivals in the field.
3. Reassess and, as far as possible, diversify the economic connections that will make for our economic prosperity and security. We are all conscious of the enormous importance of the Chinese market for our commodities and in awe of the Chinese rate of growth. But remember there was a time when commentators were in equal awe of the Japanese rate of growth, and books about Japan as Number One seemed to appear every week. Current comment often transfers that line to China. But the two largest world economies for the next decade or so are going to be the US and the European Union, both currently at about twelve thousand billion dollars. China is currently at about one thousand billion. That is a lot of ground to make up. A free trade agreement with China should certainly be pursued, and one with the ASEANs. But there are other fast developing regions, the Indian subcontinent, for instance and Latin America. Diversity is the safest course.

[Australia should] Reassess and, as far as possible, diversify the economic connections that will make for our economic prosperity and security.

4. Repair, as far as possible, Australia's reputation for a generous humanitarian response to refugees and asylum seekers, even when they come uninvited in leaky little boats. Bush's policies are a model of liberalism compared to our own. As many as seven million 'undocumented aliens' live in the US, and the economy benefits from their work. We seem to be scared of the tiny handful who make it to our shores, and lock them up without trial.
-

Bush's current term of office is likely to be known to history as the classic case of a president listening to the wrong advisers.

5. Reconsider, when we know who will be in the White House next year and who his main advisers will be, the workings of the US alliance. Bush's current term of office is likely to be known to history as the classic case of a president listening to the wrong advisers. The trauma of 9/11 enabled a group of unilateralists and neo-conservatives in the Pentagon to supersede the conservative realists who normally dominate US foreign policy making, and to embark on an intended utopian revolution vis-à-vis the Arab world. But events in Iraq in the year since June 2003 have provided a sharp 'reality check' to that ambition. The Pentagon's once-favourite 'man for Baghdad', Ahmad Chalabi, who perhaps initially persuaded them not only that it would be 'a cakewalk', comparable to the liberation of France in 1944, but that they would find lots of WMD to justify the invasion, is now accused by some not only of providing false 'intelligence', but in effect of conning Washington into pulling Iranian chestnuts out of the Iraqi fire, and leaving the US to clear up the mess and pay the bills. If that theory takes hold, it may sink the Bush Administration deeper than the Titanic. And it has some plausibility. Iran's hated enemy, Saddam, and his dynasty are gone. The Ba'ath Party was dismantled, and the Sunnis, who had dominated Iraq ever since it was invented, are much diminished in power. The Shia, a 60% majority, may hold most of the power in the elected government in office next year. And the Americans may be gone soon, leaving a cosy Shia bloc in the heart of the mostly Sunni oil-bearing area.
-

The reputation for being a staunch ally, even in bad times, is an asset no government should tarnish.

Even if Bush is re-elected, it seems unlikely that the mood of nationalist messianism and military hubris that gripped Washington in 2003 will return. If it did, the alliance might need to be put into suspended animation for four years, and revived when better counsellors return to the White House. It will always be in Australia's long-term national interest. Cutting and running is not. We went into Iraq alongside the US and the UK, and we should come out alongside them. The reputation for being a staunch ally, even in bad times, is an asset no government should tarnish.



Two

LEARNING FROM THE PAST

Peter Edwards

An historian will always have mixed emotions on being asked to provide a view on ‘new security approaches’. Instinctively, one wants to point to historical precedents, to argue that there is nothing new under the sun. History does not repeat itself but, as Mark Twain once noted, it does sometimes rhyme. No event is an identical clone of a previous event, but there are familiar themes. In 1955, the government’s chief adviser on foreign policy set out the major issues in this field as he saw them (see the box at the end of this section for an extract). Half a century later, notwithstanding the obvious changes in the international environment, they seem remarkably familiar. Indeed, while there are many subsets and variations on the theme, the challenges then as now come down to one, defined by Paul Kelly in 2002: how would Australia ‘integrate its Asian engagement with its US alliance’.

History does not repeat itself but, as Mark Twain once noted, it does sometimes rhyme.

Nevertheless, there is a sense of change. For roughly three decades, Australia’s approach to national security questions has been dominated by a set of doctrines and a group of institutions that were largely shaped in the 1970s. Many of the leading players have remained influential throughout that period. Those doctrines, institutions and in some cases individuals have come under considerable challenge in recent years, most clearly since the East Timor operation of 1999—that is, two years before the events of 11 September 2001. So perhaps the best advice to the government that will lead this country over the next three years, whether it be a

re-elected coalition or a new Labor administration, would be to avoid making long-term decisions as far as possible for the first year or so. Instead, it should set in train some fundamental and genuinely independent re-examinations of the concepts and structures that have shaped our approaches for the last thirty years, to assess whether they are appropriate for the foreseeable future.

At the time of writing, the headlines are full of hyperbolic prognoses of the Australian–American alliance. Let us assume that these challenges pass and that the alliance is in good working order by the time of the election and its immediate aftermath. We can expect that any Australian government will continue to face the challenge of managing the Australian–American alliance so as to maximise the benefits and minimise the costs to Australia, as far as is possible given the vast disparity between the two countries in ‘hard’ and ‘soft’ power. Successive Australian governments have been moderately successful in this, although both successes and failures have often been obscured by the crude terms in which the domestic debate is conducted. We need to encourage clear thinking and develop some medium-term strategies on the hard questions. What do Americans, inside and outside the Washington beltway, really think of us (to the extent that Australia appears at all in their thinking)? How much of a premium do we have to pay for our strategic insurance policy? Is it possible to avoid involvement in American commitments that we consider unwise or contrary to our long-term interests, without jeopardising the entire alliance? (Leaving aside Iraq, the Taiwan Strait—the focus of much Australian thinking immediately before 9/11—is the most obvious but by no means the only scenario for such a dilemma.) And, although no government would probably want to admit even contemplating this, what would we do if, for whatever reason, the alliance broke down? Is the New Zealand model a realistic option, or would we find ourselves paying much more for a truly self-reliant defence, and perhaps become a more militarised society?

[The government] should set in train some fundamental and genuinely independent re-examinations of the concepts and structures that have shaped our approaches for the last thirty years...

A new government will need to inspire careful studies of these issues, probably in the more or less independent think tanks to which governments have outsourced much of their policy planning and forward thinking. During the 1990s, when universities competed to set up think tanks dealing with Asia (or the Asia–Pacific region), the only think tank that was dedicated to studies of the Australian–American relationship, the Australian Centre for American Studies, was allowed to founder. The centre had produced important studies on, for example, the potential impact of a free trade agreement, of American–Chinese tensions, and of the ‘revolution in military affairs’ on the Australian–American alliance. Its demise was a manifestation of the widespread misconception that we know all that we need to know about how the US works, in both its domestic and its foreign policies. The truth is otherwise, but governments, universities and business have proved curiously reluctant to put serious resources into studying the past, present and future operations of American policy, with particular reference to the Australian–American relationship. The Australian Government

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will need, in its own interests, to encourage the development of a well-informed constituency for the alliance, able to conduct a balanced and nuanced discussion of both its strengths and its costs.

One aspect of this work constitutes a new variation on an old theme. Australian policy-makers have long been conscious of the need to get as close as possible to the heart of the decision making, and especially the policy planning, processes of our most powerful friend. Today, since much policy development in Washington is also outsourced, the Australian Government will need to ensure that it receives prompt and accurate advice on the trends of thought in the most influential think tanks. For a time, the Australian Embassy in Washington had an officer dedicated to keeping in touch with opinion in Congress. Perhaps now the need is for a similar position, just to watch the think tanks.

The other side of the Australian dilemma concerns engagement with Asia. Indonesia will, as usual, be of crucial importance. Steering a careful course between those who are accused of forming a 'pro-Jakarta lobby' and those who seem perennially inclined to believe the worst of Indonesians, the government will need to form a long-term approach to the world's most populous Muslim country in the new context of the so-called 'war on terror'. Balancing firm opposition to the militants with an understanding of the complex and sensitive issues faced by those in power will be a major challenge.

The government needs to convey to the Australian people that, as with many aspects of our relations with Asia, it is not a simple matter of choosing between a pro-American line and a pro-Indonesian line. Many of Australia's strategic challenges are essentially triangular in nature. Canberra has constantly to assess the dynamics of the American–Indonesian relationship, while shaping its policies towards both those countries. (If one substitutes China or Japan for Indonesia in the above passage, the point remains valid.)

The government needs to lead the public to a better understanding of these triangular relationships. Officials often make the point that the US alliance is a source of strength in our regional relationships, but the argument needs to be developed and supported with evidence. At the time of writing, the leaders of Australia, Indonesia and the US all face electoral challenges. Australia needs to make a careful reassessment of the prospects for all sides of the Australia–Indonesia–US triangle, once it is clear whether none, one, two or three of the leaders have been replaced.

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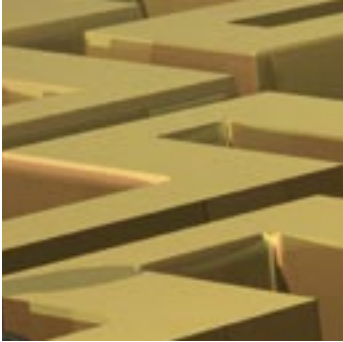
One recurring problem is the need to be able to discuss issues involving the US and Asia in what diplomats like to call ‘good company’. In the 1950s, for example, Robert Menzies was able to use the relationship with Britain and the Commonwealth to convey concerns about American policies towards China. The day has passed when the Commonwealth relationship could be so deployed. The modern-day equivalent would be to have some sort of loose, but explicit, grouping of the American allies (by treaty or de facto) on this side of the Pacific—Japan, South Korea, Thailand, Singapore and the Philippines. To include Taiwan would be problematic, as Beijing would then regard the group as an anti-Chinese conspiracy. That would be a bitter irony, as the group might well seek on occasions to moderate American policies towards China. To take some initiative towards forming such a group at a time when American–Chinese relations are relatively good might make the idea more palatable.

But there is also a need to reconsider the structures that link intelligence assessments, strategic advice and political decision making.

It was becoming apparent, even before the recent controversies, that a review was needed of Australia’s intelligence agencies, whose structures were largely shaped in the 1970s. The Flood Report has responded to that requirement, more comprehensively than was widely expected. Careful and thorough implementation of its recommendations is an obvious priority for the newly elected government. But there is also a need to reconsider the structures that link intelligence assessments, strategic advice and political decision making. There are several delicate balances to be struck—between independence and coordination of the various agencies, between short-term issues and long-term trends, between human and technical intelligence sources, between civilian and military perspectives. In many cases there are no perfect answers, but some careful, candid and confidential examination of current and recent performance, in the relative calm of a post-election period, might well lead to some useful improvements.

The support and confidence of great friends are great assets; but it is unprofitable for Australia to pay an unnecessarily high price. The present price of our American friendship is some suspicion and wariness towards Australia in Asia, with whom we have to live for a thousand years. We could, I think, acquire the supremely important American friendship cheaper by offering the Americans the reality of reciprocal aid on fundamental issues, and openly differing—for our other friends to see—where we should differ on lesser issues. Liberal opinion in the United States would sometimes welcome a lead from an independent democracy like Australia. Although we can’t expect it to admit it, an Administration can be helped out of a box it has made for itself by insistent pressure from its genuine allies.

—A.H. Tange (*Secretary, Department of External Affairs*),
Minute for the Minister (R.G. Casey), ‘Policy Critique’, 22 June 1955.



Three

SETTING THE WIDER STRATEGIC CONTEXT

Robyn Lim

Distance from the source of global tensions has not protected Australia in the past, and will not do so in future. Although Australia occupies the world's only island continent, we have a small population and live in a potentially dangerous region.

As an island continent, we are best defended at a distance, and in the company of more powerful allies. Still, our alliance with the US may not be as robust as many Australians seem to think. America, no longer tied down by Soviet power, has greatly enhanced strategic latitude. It is thus freer to give up on allies who seem more willing to 'consume' US security than to contribute to it. That reality is beginning to dawn in Seoul.

The implication for our force structure is this: it could be risky indeed to think we can continue to get away with contributing 'niche forces' that are insufficient to meet the expectations of the US in future crises.

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How we read our history is important. Those who rail against our participation in 'other peoples' wars' misread that history. The strategic history of the last century was of three bids for hegemony over Eurasia—two by Germany and one by Russia. Australia's fate was tied to the outcome of these titanic struggles. For example, if Germany had won the First World War, as it nearly did, Australia would have been part of the spoils of a dismembered British Empire.

In relation to the Second World War, neo-isolationists laud John Curtin for insisting, in February 1942, that the convoy carrying the 6th and 7th Divisions returning from the Middle East not be diverted to Rangoon, as Churchill wanted. Curtin was right. Had the troops gone to Burma, they would have gone into captivity, as was the fate of the 8th Division in Singapore.

But should we conclude from this that we were at risk of being abandoned by more powerful allies, bent on putting their own interests before ours? No. This episode needs to be put in a wider context. Even before the 6th and 7th Divisions had embarked, the first US convoy had reached Brisbane. We were being reinforced, not abandoned.

America, after Pearl Harbor, put global priority for the next few months on the defence of the sea route to Australia. That was because Australia was vital to US global strategy as an ‘unsinkable aircraft carrier’—the same role that the UK was to play in Europe.

America was not obliged to defend Australia, but chose to do so in the interests of its own global security. The lesson we should draw is that Australia is valuable to the US only in as much as we contribute to American security.

All treaties have escape hatches. The US can and does unilaterally abrogate treaties when they no longer serve its interests. America recently unilaterally abrogated the Anti Ballistic Missile Treaty (a bilateral treaty with Russia). In 1979, it unilaterally abrogated its Mutual Security Treaty with Taiwan.

Moreover, ANZUS was an alliance we ardently sought after Admiral Togo sank Russia’s Baltic Fleet in the Tsushima Strait in 1905. We were right to worry about the prospect that the then-dominant global navy, the Royal Navy, might one day prove unable to protect us. Hence the request for the US ‘Great White Fleet’ to visit Sydney in 1907, much to the chagrin of the Admiralty.

But until 1951, the US had no interest in providing Australia with strategic security. We did not achieve ANZUS until the Korean War, which brought the Cold War to East Asia. By dint of an early if limited contribution to that conflict, we were able to secure the treaty we had long wanted.

If Japan came to believe it could no longer rely on the US for its nuclear security, for example, and developed its own nuclear arsenal, ripples would soon reach our shores...

Of course, we cannot afford to ignore threats that arise close to our shores. The 2002 Bali bombings occurred not far off our northern coastline. Moreover, continued tensions in the ‘inner arc’ have done much to drive the Australian Defence Force (ADF) in recent years. This ‘constabulary work’ has been important, not least because no one else is willing to do it.

Still, it is important not to confuse proximity with importance. The threat that appeared on our horizon in 1942 occurred as the consequence of the breakdown of the global balance, first in Europe, then in North Asia.

Today, our vital interests can be threatened by events far from our shores. If Iran and North Korea acquire nuclear weapons, for example, that would have an impact on our security. Iran sponsors terrorist regimes such as Hamas, Hizbollah and Islamic Jihad. North Korea has a long history of state-sponsored terrorism, and the risk exists that it would sell fissile material to terrorist groups.

Moreover, the great-power balance in North Asia is critical to our security. If Japan came to believe it could no longer rely on the US for its nuclear security, for example, and developed its own nuclear arsenal, ripples would soon reach our shores—not least if others started to arm against Japan.

Alliances are not automatic guarantees of support in all circumstances. For us, the main benefit of the US alliance is that it vastly complicates the calculations on the part of any potential adversary. Any country contemplating threatening us, or our vital interests, would have to think about the likely response of the US.

All alliances rest on congruent strategic interests and shared willingness to undertake risk. So far, we have been lucky to get away with limited but early commitments to conflicts such as the two wars in Iraq and in Afghanistan. We did so essentially because of skilful political management by Australian governments of both major parties. But will we always have the ability to bring this off?

In the recent Iraq war, we asked ourselves whether we should make a substantial land contribution—and took the easier choice of sending only special forces. But it is not hard to envisage situations in which ‘niche’ contributions will not suffice, either because the US role is limited, or because alliance considerations will not sustain it.

...we still need to give priority to air and maritime capabilities, but also to substantially strengthened and more mobile land forces.

That applies not only in Southeast Asia, but also in relation to Taiwan and North Korea. That means we still need to give priority to air and maritime capabilities, but also to substantially strengthened and more mobile land forces. (Even our deployments to the ‘inner arc’ have required land forces and the ability to deploy them safely and sustain them over time.)

It would also be risky to think we can pick and choose among alliance obligations. America’s history is one of eschewing ‘entangling alliances’. The US not only has more strategic latitude since the end of the Cold War, but technology apposite to warfare is rapidly shrinking distance. That is making it more attractive for America to do more on its own territory, and rely less on allies who might defect in a crisis.

The alliance underwrites our nuclear and long-range maritime security, at modest cost and risk to ourselves. If we lost such protection, where would we find it? ‘Regional engagement’ would be a hollow substitute. Nor would free-riding, New Zealand style, be an option. A glance at the map shows why.

A rupture of the US–Australia alliance would indeed be bad for the US. It would be *VERY* bad for us.



Four

SIX CHALLENGES

Rod Lyon

The incoming government faces a daunting array of challenges in the defence portfolio. I sketch here six of them. They go to the heart of current defence policy.

I think the single largest challenge Australia currently faces is a security environment characterised by strategic heterogeneity. That term—awkward and inelegant though it might be—captures accurately the diversity of threats that shape security thinking in the post-September 11 world. Many of the traditional security worries, such as great-power balances and proliferation for example, retain a prominent place on our national security agenda. But the international security environment is undergoing transformational change, driven by an increasing level of global interconnectedness and technological diffusion. Exploiting that interconnectedness is a new species of war-making units: small groups empowered by asymmetrical strategies.

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The consequence of that transformation of our security environment is that Australia now faces a wide variety of security challenges, few of which might be considered trivial. The noted RAND analyst, Brian Jenkins, recently observed that yesterday's enemies were 'static,

predictable, homogeneous, rigid, hierarchical and resistant to change', but today's enemies are 'dynamic, unpredictable, diverse, fluid, networked and constantly evolving.'¹ The wars of the future will look more like the current conflict in Fallujah than we would like to believe. It is this environment that the new government will be obliged to address when it commissions a new White Paper on defence.

This deep-level change in the international system will have profound consequences for our security. We cannot continue in the same old way, treating interstate war as 'real war' and everything else as peripheral. We are at one of those rare historical junctures where decades of strategic continuity are unravelling. Our enemies are changing and our doctrines are breaking down. We are in a condition of conceptual shock, and in desperate need of innovative strategic approaches. Our greatest need is for new concepts and new ideas. And in the long run, those new concepts will probably give rise to new defence forces, new capability requirements, and new procurement priorities.

Our greatest need is for new concepts and new ideas. And in the long run, those new concepts will probably give rise to new defence forces...

Flowing from the first challenge is a second one: how we will address issues relating to the use of force in the new security environment. A deep-layer issue underlies that debate. Western strategies have for some decades been based upon a particular notion of the use of force: that force was principally intended to deter aggression rather than to combat it. The deterrence of great-power war lay at the heart of this concept. But deterrence is less useful as a tool these days, in large part because our most worrying adversaries are not static, and have few assets that we might hold at risk. If the utility of deterrence is waning against that class of adversary, so too is the utility of arms control and of power balancing. All those instruments remain central in the relationships between strong states. But they are less useful against weak adversaries. Bluntly, we should expect to be using force more frequently in the coming decade or so than we have in the past five or six decades.

That has direct implications for Australian Defence Force (ADF) manning numbers. Our defence force has shrunk in size as we have moved to a volunteer force and come to rely on our technological edge. The force is probably now too small for the security challenges that confront us and the challenges of political stabilisation that we face. While we frequently debate the issues of equipment procurement and hardware, we overlook far too readily our shortage of trained personnel. No shortage will be felt so profoundly within the ADF in coming years as that simple shortage of manpower. We will need more ground forces, and those ground forces will have to be better able to deal as a normal condition of deployment with ambiguity, uncertainty and a higher level of interaction with civilian agencies.

1 Brian Jenkins, 2004, 'Redefining the Enemy', *RAND Review*, Spring, pp. 16–23.

The force is probably now too small for the security challenges that confront us and the challenges of political stabilisation that we face.

A third challenge relates directly to our current Defence of Australia doctrine. We have previously designed a force for the continental defence of Australia and then found, somewhat fortuitously, that it also gave us a range of capabilities that we could use in distant coalitions and peacekeeping missions. But the end might well be nigh for the notion of one size fits all. Indeed, we might be approaching an era when the concept of defence self-reliance is itself passé. Interconnectedness is not merely a tool of the terrorists: it is a global phenomenon transforming both the threats that we face and the mechanisms for addressing those threats. Issues of defence industry, procurement and interoperability are also tangled up here. Self-reliance is a sandcastle that is being knocked down by an incoming tide.

Fourth, and perhaps most contentious of all, is Australia's need to reaffirm the strategic principles that undergird its relationship with the United States. It is trite to imagine that Australia can live in the sort of world it most wants without close cooperation with the US. This pattern of cooperation serves Australian interests in many different ways: by fostering stability at the fulcra of key global balances, by enhancing a similar stability in key regional balances, and by leveraging the development and deployment of a highly capable ADF able to make positive contributions to Australia's own continental security. But the condition of unipolarity, the controversies surrounding the Bush Administration's proactive security strategies, and the uncertainties about the extent to which terrorism can be addressed through military means have all driven the bilateral relationship into uncharted waters. Best we start charting soon.

...we must not lose sight of Asia. All three great Asian powers—Japan, China and India—are destined for larger regional and global roles.

Fifth, despite all our current focus on the new security agenda, the transformational security threats and the central position of the United States in global strategies, we must not lose sight of Asia. All three great Asian powers—Japan, China and India—are destined for larger regional and global roles. All are emerging as 'normal' great powers, as a long period of strategic artificiality in Asia comes to an end. The geostrategic weight is moving in the Asia-Pacific and Australia has direct interests in its movement. It also has important interests in the emergence of cordial relationships between all three powers. Closer to home, we have large equities at stake in the future of Indonesia, and few mechanisms for insuring them. Those equities go well beyond the immediate concerns about Jemaah Islamiah.

Finally, and what might turn out to be one of our most serious challenges of all, we must attempt to address the challenges sketched above during a time when the level of bipartisan support for the key pillars of security policy seems to be in serious decline. I think this is more than the usual contention of an election year. The slippage in bipartisanship was already evident in the 1990s. In the strategic hothouse of the post-September 11 environment, differences have been far easier to cultivate. In the years to come we are likely to find it more difficult to build and maintain consensus about our strategic objectives, and about the mechanisms we should use to achieve them. No consensus exists within Australia now, for example, about this country's strategic position in a world of unipolarity. Similarly, no consensus exists within Australia now about the relative threat priorities that we must counter, and whether our security environment has been fundamentally transformed by the events of 11 September 2001. And no consensus exists on the meaning and durability of traditional strategic doctrines, nor on the possible implementation of new ones.

Those six challenges are sufficiently serious to give an incoming government considerable food for thought.

In the years to come we are likely to find it more difficult to build and maintain consensus about our strategic objectives, and about the mechanisms we should use to achieve them.



Five

AUSTRALIA'S DEFENCE AND STRATEGIC PRIORITIES

William Maley

The aftermath of national elections in Australia provides an opportunity for serious discussion of policy options in key areas. The defence of Australia is certainly one such area, even though issues of national security are typically outranked by domestic issues such as health and education when voters are polled to determine which subjects they consider the most important. The following remarks seek to highlight five areas where, in my view, both strategic analysts and newly elected members of the Commonwealth Parliament bear a fundamental responsibility to revisit existing policies, with a view to appraising their costs and benefits for ordinary Australians.

...a greater peril from the region may be that of state disruption, marked by elite fragmentation, administrative incapacity, and diminished governmental legitimacy.

The first challenge is that of reappraising the strategic environment within which Australian defence policy is located. This has a number of dimensions. The first is regional. In the light of the mayhem in East Timor in September 1999 which preceded the INTERFET deployment, the Coalition parties' appraisal of Australia's immediate strategic environment became quite wary, and this may in part explain the Howard Government's drive thereafter to attach itself as firmly as it could to the United States, at least at the symbolic level. But a greater peril from the region may be that of state disruption, marked by elite

fragmentation, administrative incapacity, and diminished governmental legitimacy. This has already surfaced in the Solomon Islands; it has afflicted other Pacific states, such as the pathetic case of Nauru; and it haunts our immediate neighbour, Papua New Guinea. State disruption can foster an environment in which non-traditional security threats can flourish, and at worst expose Australian troops to the danger of entanglement in asymmetric conflicts in which the price to be paid for military success is political failure. The carefully crafted RAMSI intervention in the Solomon Islands successfully avoided such entanglement, but it is worth recalling that this was essentially an intervention of choice. Similar action elsewhere could be driven by necessity.

...that the very notion of a war on terrorism—essentially a war on a *technique* rather than a force—is radically misconceived: what criteria are there for victory?

The second challenge is that of reappraising the approach to the war on terrorism. Here, Australia has closely followed the lead of President Bush and the United States, but the results have not been especially happy. A matter of some urgency for the future will be to determine what further roles, if any, Australia should play. While Prime Minister Howard referred to Iraq as the ‘front line’ in the war against terrorism, less than two percent of the regular Australian Defence Force (ADF) was deployed in the vicinity of Iraq as at mid-2004, and none in Afghanistan. We may be asked at some point to do more. A further key question is whether we are in a ‘war’ at all. Some would argue that the very notion of a war on terrorism—essentially a war on a *technique* rather than a force—is radically misconceived: what criteria are there for victory? Terrorism, because of its potential to cause grievous harm to ordinary people, cannot be ignored; but it is not remotely an existential threat to Australia (or for that matter any Western society), and it kills far fewer people each year than car accidents. It is also the case that to the extent that there is a ‘solution’ to terrorism, it lies in addressing the frustrations that fuel it, and avoiding adding to those frustrations. From this point of view, facilities such as Guantanamo Bay and Abu Ghraib do not help.

The third challenge is that of reappraising the US alliance.

The third challenge is that of reappraising the US alliance. No mainstream party in Australia proposes the termination of the alliance, but different emphases can be given to an alliance relationship by different parties. Much will depend on the outcome of the US presidential election in 2004—which in turn will depend on an electoral system which in 2000 delivered the presidency to a candidate who had received neither an absolute nor relative majority of the popular vote. The Bush Administration’s approach to international relations has had something of an ‘all or nothing’ character, but other approaches are possible. The United Kingdom sustained its alliance relationship with the Johnson Administration even as it declined to follow the US leads in Vietnam; and New Zealand has rebuilt an effective relationship with Washington from outside the boundaries of its earlier participation in

ANZUS. In any case, term limits mean that in five years time, George W. Bush will no longer be in the White House, and the Australian–American alliance as a living relationship will depend for its vitality on stronger foundations than a personal bond between a president and a prime minister. There is room in a mature alliance for critical as well as supine or obsequious partners and, in the long run, a new generation of leaders will have the opportunity to explore these possibilities.

A fourth challenge, in these politically complex times, is to ensure that leaders within the ADF have as strong a grounding as possible in the politics of key regions of the world.

A fourth challenge, in these politically complex times, is to ensure that leaders within the ADF have as strong a grounding as possible in the politics of key regions of the world. Here, there is much that needs to be done. In recent times, no government has come to office with a developed philosophy of officer education, and the consequence is that the processes of officer education have been buffeted by the whims of different occupants of strategically located positions in the Defence bureaucracy. The result has been decision making which reflects the outcome of bureaucratic politics rather than a visionary approach to training. For example, in 2003, the School of Politics of the University of New South Wales at the Australian Defence Force Academy ceased to exist, having been lost in an amalgamation of schools driven in part by a bean-counting exercise, but equally by the commitment of a recently appointed university bureaucrat, with no prior experience in officer education, to 'giving the place a bit of a shake'. The highly respected Australian Defence Studies Centre also fell victim to this process. Shaking universities, like shaking babies, can have adverse consequences, and at a time when political awareness has never been more important, those charged with encouraging it are under siege.

Ultimately, there may be a need also to reappraise what 'the defence of Australia' should mean.

Ultimately, there may be a need also to reappraise what 'the defence of Australia' should mean. Classically, 'defence' has referred to military actions to protect the territory and population of a country against armed attack by external powers, but of course it has also embraced involvement in peace operations and in 'coalitions of the willing' authorised by resolutions of the UN Security Council acting under Chapter VII of the UN Charter. What alarmed many observers of the Iraq campaign was the lack of persuasive legal justification for the use of force, raising questions about the political legitimacy of the entire operation, and adding to the risk that Australians might be targeted for attack by terrorists. This exposes the broader question of the meaning of the term 'national interest'. Is fighting in all America's wars in 'the national interest'? Do we actually defend Australia's interests

when we fail to distance ourselves from the Administration that allowed the disaster of Abu Ghraib to occur? These are not easy questions but, at the very least, the costs as well as the benefits of Australia's defence alliance with the US need to be rigorously appraised when we ask how Australia should be defended.



Six

‘BACK TO THE FUTURE’

Graeme Dobell

How about ‘Back to the Future’ as the motto for Australia’s strategic task?

The traditional issues—the neighbourhood and the US alliance—both need to be rethought, and history has some valuable lessons. Too much zeal in one area (ANZUS) has caused some fuzziness in the approach to the region.

Surprisingly, perhaps, alliance management is set to be the immediate task for either side of Australian politics. Having invoked ANZUS and marched off to Afghanistan and Iraq, Australia looks like the staunchest of allies but perhaps not the smartest. This perspective rests on the fundamental reality that the greatest potential threat to the alliance is posed by Washington and Canberra, not by some hostile power. The excommunication of New Zealand, now 18 years old, shows how one serious breach can harden into a permanent divide.

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Australia’s great fear during the early decades of the alliance was that when the call for help was made, the US would not respond. Since the close of the Cold War, the apprehension has reversed; now the fear is of what Washington might ask of Canberra (with the usual example of the nightmare scenario being conflict with China over Taiwan).

The alliance task for Australia will have to begin with an affirmation of the right to sometimes say ‘No’. But the biggest job will be to shield both national and regional interests from the tsunami of shocks and recrimination cascading through the US system. Iraq has turned into a dismaying catalogue of neocon hubris. Even taking the most sympathetic view, the US has been a grieving giant, lashing out in a great spasm of pain after September 11. As it recovers from its pre-emptive fever, the US will be entitled to ask some hard questions of its friends, as well as attempting a more disciplined analysis of its enemies.

The alliance task for Australia will have to begin with an affirmation of the right to sometimes say ‘No’.

In a ‘Back to the Future’ mode, it’s worth reflecting on the aftermath of the Vietnam War to consider the US course beyond Iraq. Vietnam caused a withdrawal of US troops from the East Asian mainland that persists today; Canberra confronted that continuing quagmire taboo with its vain attempts to get American ‘boots on the ground’ in East Timor in 1999. Oil means that the US cannot withdraw from the Middle East. But the Iraq trauma will prompt a stricter calibration of US interests and capabilities. Vietnam gave birth to Nixon’s Guam doctrine—the country threatened must shoulder the main military burden and not rely on the US. The agonies of Iraq will probably prompt something similar about allies having to look after themselves.

A re-elected Bush administration is going to have a jaundiced view of Europe and a sceptical attitude to alliances. Defence Secretary Rumsfeld’s famous line that ‘the mission determines the coalition; the coalition doesn’t determine the mission’ offers little comfort to traditional alliance partners. A new Kerry Administration will have to devote just as much attention to the Middle East and Iraq, pushing East Asia down the priority list.

Under a Republican or Democrat president, the Revolution in Military Affairs and the Rumsfeld Revolution will continue to drive the US quest for an agile and mobile military, able to go places rather than sit still in old bases. The US decision, in mid-2004, to shift 3,600 troops from the 2nd Infantry Division in South Korea to serve in Iraq (with no promise that the numbers would ever be restored) and to cut the overall force in South Korea by one-third is a significant portent for Asia.

Few in Asia were comfortable with an angry and pre-emptive US, but a hurt and retiring US would be even more of a worry. Contrary to the mood in Europe, most Asian governments (apart from China) are still eager for the US to play the role of the lender of last resort for security and stability (a view not always shared by Asian voters). Australia must hope for a resilient not a retiring friend—in the words of the novelist John Updike, ‘a US pragmatic enough to adjust, with an American shrug, to the ebb of old certainties’.

Few in Asia were comfortable with an angry and pre-emptive US, but a hurt and retiring US would be even more of a worry.

As the US pre-emptive moment fades, then Australia can quietly drop the strategic fudging it needed to go along for the unilateral ride. Another part of 'Back to the Future' will be to reimpose geographic discipline on our defence planning and procurement. A central truth of the evolution of thinking since Vietnam has been to use geography to define the options and limit the subjective judgements. Australia's unique geography and the military capabilities existing in Southeast Asia have been the touchstones used to shape the Australian Defence Force (ADF). Since the September 11 attacks on the US, that geographic discipline has weakened, reminding Canberra that nothing is more dangerous than a general with a shopping list or an admiral with a faraway look in his eye.

The purchase of new tanks was the work of an army thinking far beyond the Southwest Pacific. Australia needs to 'harden' its army (surround the troops with more armour) but the Abrams tank is a solution to a problem that might be confronted in Korea or Europe or the Middle East. History says what Australia needs in its own region is not Abrams, but bunker busters able to get off the beach and into the jungle. The fact that Europe or the US sees no need for small, well-armoured bunker busters is apparently reason enough for Australia to forget about geography and buy big and heavy. The Navy has even developed a touch of the 'aircraft carriers', winning the purchase of some large transport ships with big flat tops. It looks like a recurrence of a salt-water disease dormant in the Navy system since HMAS *Melbourne* was scrapped by the Hawke Government.

...nothing is more dangerous than a general with a shopping list or an admiral with a faraway look in his eye.

Robert Hill's attack on 'concentric circles' had obvious political and alliance dimensions and reflected the 'world has changed' shock of September 11. Yet in building a response to the Bush pre-emption doctrine, the Defence Minister lifted the geographic control imposed on the military leadership over the past three decades. Defence of the continent can never mean a Fortress Australia, because our security focus must always be deep into the South Pacific, Southeast Asia and the Indian Ocean; and taking this huge sweep as the neighbourhood, we must then consider the great powers that move through and bump up against those regions.

The next annual meeting of the Society for the Preservation of Concentric Circles needs to make a significant change to its constitution. The concentric circle should no longer be based in Darwin, so to that extent Senator Hill can declare victory.

The next annual meeting of the Society for the Preservation of Concentric Circles needs to make a significant change to its constitution. The concentric circle should no longer be based in Darwin, so to that extent Senator Hill can declare victory. Instead, Australia's concentric circles need to centre on places such as Dili, Port Moresby, Honiara and Port Vila.

The 'Back to the Future' approach calls up the image of John Curtin telling a bitter ALP conference in 1942 that sending conscripts to the islands screening Australia had to be interpreted as 'defence of Australia'. Then, as now, the need was for alliance management in a moment of great stress, linked to an unwavering Australian focus on a unique geography.



Seven

ADDRESSING HUMAN SECURITY

Michael G. Smith

A strategy of ‘comprehensive engagement’

Australia’s strategic environment has been changing fundamentally since the end of the Cold War. Intrastate conflicts, as well as threats from rogue states and non-state actors, have become more prevalent.

The next Australian Government will have little choice but to give priority to issues of national security.

Since 11 September 2001, terrorism—both real and perceived—has accentuated this climate of uncertainty and instability. The next Australian Government will have little choice but to give priority to issues of national security. These dangers go beyond the obvious threats posed by conflict, weapons of mass destruction (WMD), and terrorism. ‘Human security’ is also a major issue to be tackled.¹ With half of the world’s six billion people living on less than US\$2 per day, Australia will need to increase its commitment to the UN’s Millennium Development Goals (MDGs) if world poverty is to be reduced.

¹ Human security is an evolving concept, but the UN and several countries have adopted it in different ways. Human security complements (but does not replace) the more traditional concept of state sovereignty, in which territorial integrity fails to acknowledge human welfare needs. The UN University working definition (2001) of human security states: ‘Human security is concerned with the protection of people from critical life-threatening dangers, regardless of whether the threats are rooted in anthropogenic activities or natural events, whether they lie within or outside states, and whether they are direct or structural. It is “human-centered” in that its principal focus is on people both as individuals and as communal groups. It is “security oriented” in that the focus is on freedom from fear, danger and threat.’

Human security also requires that solutions be found for the world's 45 million refugees and internally displaced persons, the world's 42 million suffering from HIV/AIDS, and the increasing number of people who cannot feed themselves and/or are denied access to clean water. These issues—and others such as illegal people trafficking, drug and gun smuggling, money laundering, and potential pandemics such as SARS—require the next Australian Government to develop and implement policies that go beyond traditional defence and foreign policy.

The next Australian Government should consider adopting a national security strategy of *comprehensive engagement*. The strategy should be comprehensive in considering all elements of national security—political, military, economic, societal and environmental. The strategy should also engage a wide cross-section of domestic and international actors, including international organisations and non-government organisations. Six pillars of this strategy that will require special attention are highlighted here.

Strengthening the Australia–US alliance

The US alliance remains central to Australia's security. If threatened directly and in extremis, Australia would be heavily reliant on assistance from the US, as demonstrated during World War II. Such reliance does not require Australia to always support the US; nor does it guarantee US support. A strong alliance is underpinned by a thorough understanding of mutual interests, as well as those issues on which differences exist.

Australia's special relationship with the US gives us a unique opportunity to influence US decision making, and to contribute where it matters most. For example, we should be strident in advising the US to avoid hostilities with China, the results of which could be catastrophic for Australia and the region. As well, we need to be able to demonstrate leadership and expertise in Southeast Asia and the South Pacific, the region most vital to Australia's immediate security.

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In strengthening our military ties with the US, we should concentrate on enhancing interoperability with US forces in the Pacific, and work collaboratively to improve cooperation with nations in Southeast Asia and the South Pacific.

Enhancing regional and multilateral engagement

Australia's commitment to regional countries and multilateral organisations has deteriorated over recent years. Improvement is required.

Australia should improve its relations with the UN and its agencies, actively seeking to influence the pace of reform and improve efficiency.

Managing and fostering good relations with Indonesia is arguably our greatest security challenge. Australia will need to:

- build closer diplomatic and cultural linkages with Jakarta
- encourage and assist the continuing reform of the Indonesian military
- promote opportunities for trade and investment
- strengthen governance and civil society, particularly through the efforts of international organisations and non-government organisations.

It is in Australia's interests to promote a stable and prosperous Southeast Asia. We should:

- promote opportunities for trade and investment
- assist in the prevention of people trafficking and develop relations between police forces
- build stronger defence relations through training, peacekeeping and disaster response
- encourage and assist the work of the ASEAN Regional Forum
- provide development assistance to poorer communities, including by resettling refugees and internally displaced persons and reducing the impact of landmines.

Australia should improve its relations with the UN and its agencies, actively seeking to influence the pace of reform and improve efficiency. To do this, Australia will need to advance its understanding of the UN system, actively seek key UN posts, and financially support the work of UN agencies.

Improving capacity to operate in the South Pacific

The South Pacific is the most immediate gateway to Australia. The region is diverse, underdeveloped and politically fragile, with parts reflecting high levels of poverty, corruption, unemployment, lawlessness, illiteracy and malnutrition. Some South Pacific states are also under threat from rising water levels and economic bankruptcy.

As the major power in this region, Australia should take the leading role to reduce poverty, improve governance, the rule of law and infrastructure, and build democratic societies. This requires greater understanding of, and respect for, local customs, and a long-term commitment. Trade and investment will be of marginal success in the smaller states, where capacity building and micro-enterprise schemes are more appropriate.

The Australian Defence Force (ADF) and the Australian Federal Police will need to assist in the development of local defence and police forces to ensure high standards of training and discipline. Such support will need to be for the long term.

Adopting 'human security' and achieving the Millennium Development Goals

The eight MDGs specify the actions to be taken to promote human security by halving world poverty by 2015. Australia is a signatory to the MDGs, which require developed

countries to commit 0.7% of gross national income per year to overseas development aid. Australia currently allocates less than half this amount.

Evidence indicates a correlation between poverty and security. Eradicating poverty will not guarantee national security, but it will improve humanity and reduce some of the root causes of insecurity. Australia should include human security as a pillar of its national security strategy, increase its funding to the MDG and aim to achieve specified targets. Priority should be given to reducing poverty in the Asia–Pacific region, noting that emergency humanitarian support will be required in more distant locations, particularly in Africa.

Combating global terrorism

Although the number of terrorist incidents has declined since the mid-1980s, the lethality of terrorist action and the prospect of the use of WMD have increased. The likelihood of terrorist attacks against Australia and Australians has increased since 11 September 2001, and since Australia's involvement in Iraq. The toppling of corrupt regimes in Afghanistan and Iraq has so far failed to confirm sustainable peace in these countries, or to advance the Roadmap for Peace in the Middle East, or to extinguish the cause and recruitment of Islamic extremists. Attacks on foreigners in Bali and on innocent civilians in Spain, and the targeting of civilian employees in Iraq and Saudi Arabia, are indicators of the commitment of Islamic terrorist groups.

Australia should continue to give high priority to adopting protective measures to enhance homeland security and defeat terrorist action. Greater coordination is required between the federal and state governments, and an independent counter-terrorism institute should be funded to more closely integrate the actions of business, academia and governments.

Reordering defence priorities

Defence capability represents an essential component of national security. The ADF has generally performed well on operations, but the senior management of Defence has been found wanting, as reflected by cost blowouts and delays in acquiring major capabilities, inadequate information flows on sensitive issues, and high personnel turnover rates.

There is a need to improve the governance of Defence. Three radical steps should be taken:

- A non-executive Defence Board should be established to provide advice to the Minister.
- The 'diarchy' should be abolished, and the Chief of Defence Force placed in command to be assisted by a civilian Secretary.
- The size of Defence Headquarters should be pruned and the number of subsidiary headquarters should be reduced.

A new defence strategy is required. This should be titled 'Defence in Depth' and have three components: expeditionary littoral operations in the South Pacific and archipelagic waters; homeland security operations; and out-of-area operations. The acquisition of defence capabilities should be consistent with this strategy. Capabilities should be optimised for expeditionary littoral operations. A major shift is required to mainstream expertise in the conduct of complex peace operations. Based on warfighting skills, such operations require additional capabilities to conduct civil–military cooperation and constabulary functions.



Eight

FEET OF CLAY?

Brendan O’Loughlin

ASPI’s *Listening To Regional Australia* project has been encouraging debate and gathering opinion from communities in regional and rural Australia on how to build and balance Australia’s security demands. Most understand competing priorities: you can put two bob each way but can’t afford to neutralise all risk. Tough enough questions in these fluid and worrying times for the capability development officials behind secret doors, let alone for someone worrying about the drought on the farm or the price of petrol in the country town.

While ordinary Aussies may not know the jargon of air–sea control or network-enabled warfare, they have some pretty well-developed ideas. So ASPI is seldom surprised, and certainly never dismissive, when we receive homespun answers. There’s a grain of truth there somewhere. A woman (call her Judith) stood up in one country meeting and in measured, thoughtful tones declared, ‘In our group we have grappled with these complex issues. We have peeled back the layers and reached agreement on the solutions. The threat is not external: we need to look after our people first. More justice, tolerance and care at home.’ Nods and sounds of affirmation went round the room.

Let’s put this in context: such commentators do not denigrate the Australian Defence Force (ADF), whom they appreciate highly. Not everyone agrees with Judith, and it’s hard to put that sentiment into a Cabinet submission on defence priorities. But it’s out there. What do we make of it?

A few years ago, ‘bases not places’ was an issue around the complex Asia–Pacific region. It’s in the news again lately with US ‘footprint’ reviews and more talk of training US marines near Darwin. It’s not a sticker for Australian bumpers, but the wider concept of having a firm footing is fundamental to security planning. This concept encompasses tangibles like armed forces and bases, but also

intangibles like economic, social and management strength, and indeed the moral fabric of the people. Not matters for the Defence ministry perhaps, but important considerations in building national confidence and (a very Asian concept) resilience. When threats arise, the martial arts tell us, a harmonious and flexible response of all parts of the body to avoid, balance, control and defend are called for. So national policies must attend to more than military defence, both nationally and abroad.

Many developed countries, Australia not excepted, resemble the biblical flawed-warrior apparition—strong overall but with feet of clay. The ADF, despite ever-present capability improvement needs, is in good shape. Terrorism is still a grave threat, but new measures have been put in place. This is now the long haul, when smart intelligence, vigilance and preparedness are becoming part of daily life. Priority should now go to the ‘feet’—better governance, habits of cooperation, economic strength and community resilience, both at home and abroad.

...national policies must attend to more than military defence, both nationally and abroad.

First, better *governance* is much needed. At home, significant strides have been taken in pulling together a formal legal and management framework for response to terrorism. The National Security Committee of Cabinet and the Secretaries’ Committee on National Security are apparently working well. Below them, arrangements are less formal. That means they can be flexible, but daily habits of interagency consultation and planning are not the norm and the risk of disconnects, even rivalry, is heightened. Australia is better at this than many larger countries, where interagency competition is an art form if not an inalienable constitutional right. But that’s not the benchmark. Our people and processes need to be better connected.

Abroad, governance needs are manifold. Just two examples:

- First, failing states and weak institutions represent a grave threat to security, near and far. Australia’s operations in East Timor and the Solomon Islands were good models, in the latter case demonstrating how effective a civilian-led police mission with integrated protection from the ADF can be. While Australia has excellent credentials in development aid and assistance programs, we and other developed nations fall well short both of UN expectations and the sustained effort needed for effective long-term projects to really make a difference. Priorities should be sharpened through tougher cost–benefit analysis, as in the Copenhagen Consensus¹, and by demanding recipient accountability.
- A new phase of determined support for international cooperative efforts, especially in regional cooperation and the UN, is overdue. Simple examples are information sharing and partnerships in the Asia–Pacific, the old chestnut of reform of the Security Council, and most of all, political determination to work together.

¹ The Copenhagen Consensus is a project that seeks to develop a meeting of minds between economists, environmentalists and others about setting the right priorities for solving the world’s pressing environmental and social problems. (See www.copenhagenconsensus.com)

...failing states and weak institutions represent a grave threat to security, near and far. Australia's operations in East Timor and the Solomon Islands were good models,

A related issue is *cooperation* and greater unity of effort. A recent theme in military planning is Effects Based Operations (EBO). EBO encourages planners to define the desired end-state and select actions, and agents, according to who can best achieve the desired effect. It may not be the armed forces even during conflict. In management terms, EBO emphasises outcomes rather than inputs, actors or processes. No one is yet quite sure exactly what this means in practice. Some say it will revolutionise crisis planning; others, that it's nothing that Sun Tzu and Clausewitz did not presage.

Regardless of this debate, EBO poses three significant improvement challenges to national security planners:

- Better orchestrate elements of national (and international) power.
- Concentrate not on actions or targets but on changing the environment, on achieving a just and durable end-state.
- Information management must be a central enabler for all agencies.

Australia has recognised these needs but has a long way to go. Information sharing across federal, state, local and private agencies cannot be said to be seamless. Abroad, nations jealously guard their intelligence even if it is not gathered from sensitive sources. The culture of cooperation is dormant in many sectors—some NGOs shun any contact and cooperation with armed forces, who in turn can assume an authoritarian rather than partnering approach. And let's ensure that 'soft power' options are to the fore.

We don't have space to go into the *economy*. Let's just register one point. Current policy says that three 'I's drive the economy: innovation, investment and international competitiveness. Let me add a fourth—infrastructure (the base). Some areas, such as information infrastructure and port security are lagging, and Australia's water resources are more vulnerable to our own mismanagement than to terrorist poison.

Similarly, *community resilience* hardly sounds like a security issue. But national power depends on confidence, unity and an unassailable international reputation. Are long-running sores in welfare, health (especially aboriginal health), refugees and education beyond our collective arts? The new term should see determined new efforts, using more trained people and audited programs, to excise the clay in these sectors.

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Political leaders can't afford to make decisions based on public opinion alone—they have better information, better analysis of options and consequences and must show leadership—but opinion counts. Like Judith, people around Australia perceive little direct threat to Australia, and few support greater defence spending. The peak of the reaction to terrorism over the past few years has passed and a period of hard work has begun. The weight of policy effort and investment should now be turned to less newsworthy but essential longer term work—building security through greater strength, self-reliance and unity at home and more active collaboration in the international community, based on a self-assured, inclusive independence.



CHALLENGES FOR DEFENCE AND INDUSTRY

Kenneth R. Peacock

The most important considerations for the Australian Government in defence and security involve taking a new approach to policy thinking for:

- improved coordination of intelligence and surveillance activities
- increased investment by governments and the private sector for the protection of Australia's infrastructure and major industrial assets
- stronger relations with the new leaders of Indonesia and Malaysia, and with Pacific Island nations
- a broader Australia–US alliance
- a new Defence White Paper and industry policy.

This paper focuses on a new approach to the US alliance that considers defence industry issues in both countries, the development of a new Defence White Paper and industry policy, and the linkages between them.

Broadening the Australia–US alliance

A strong alliance with the US is critical to Australia's national security and one of our greatest assets. Strengthening and broadening the alliance should be a high priority for the new Australian Government, especially if there is a change in the US administration as a result of the elections in November 2004.

The US alliance should be expanded beyond the exchange of intelligence, access to weapons systems, and logistics support. It should include the harmonisation of American and Australian defence industry capabilities and access to essential technology to support US weapons systems in service in the region.

A strong alliance with the US is critical to Australia's national security and one of our greatest assets. Strengthening and broadening the alliance should be a high priority for the new Australian Government...

The alliance also should be used to solicit US Government and industry support to oppose 'Buy America' legislation. Protectionism is opposed to interoperability and cooperation, whereas industrial cooperation supports interoperability and develops a level of trust for mutual security. Industry harmonisation should be a regular part of the annual AUSMIN and AUSMIN Defence Acquisition Committee (ADAC) discussions.

A New White Paper and Defence Industry Policy

Defence 2000—Our Future Defence Force was developed before the US entered the war against international terrorism and adopted a more interventionist military approach to protect its worldwide interests. It acknowledged industry's importance as a vital component of defence capability, and stated that Australia 'must take a strategic approach to our defence industry base, and not regard its capabilities as simply a by-product of procurement decisions'. The White Paper commented that government's objective for Australian industry was set out in the 1998 *Defence and Industry—Strategic Policy Statement* (DISPS98).

In October 2001, Cabinet endorsed the Minister for Defence's recommendation that a new industry policy be developed, and directed Defence to prepare strategic plans covering the aerospace, electronics, naval shipbuilding/repair, and land/weapons sectors. Three of the plans were released for discussion in 2002–03, and the land and weapons plan is expected to be available shortly.

Two years after the White Paper, in response to the changed security environment, increased threat from terrorism and growing instability in the region, government produced *Australia's National Security—A Defence Update 2003*. The update did not comment on Australia's defence industry or the paradigm shift in the United States Department of Defense (USDOD) thinking about its own defence procurement and industrial base.

The same aggression shown in its military strategy is evident in the way the USDOD views its future as a major supplier of weapons systems. This fundamental change in policy, driven by the USDOD, is aimed at protecting US technology and its industry capabilities, and benefiting from the industry capabilities of its close allies.

It is time for a new and more comprehensive White Paper that considers:

- the changing threat environment
- increased terrorist focus on industrial and 'soft' targets
- and the strong dependence of the Australian Defence Force (ADF) on the US and Australian defence industries.

The Australia–US alliance drives the two countries towards increased interoperability and, in some cases, greater preference for US military equipment. The implications for the

Australian defence industry and its future ability to support the ADF should be considered as an integral part of the White Paper process.

A new industry policy statement should define what kind of industry Defence would like to see in 10–20 years, and detail the key industry capabilities essential to support the ADF goal of self-reliance, how those capabilities will be developed and sustained; and what performance indicators will be used to measure its success. Defence should consider the *US Defense Industrial Base Capabilities Study Methodology* to determine the capabilities that provide the ADF with a combat edge; identify the critical technologies that deliver those capabilities; and assess the industrial base capabilities for each critical technology.

A new industry policy statement should define what kind of industry Defence would like to see in 10–20 years, and detail the key industry capabilities essential to support the ADF...

The USDoD's increasingly protective attitude towards its technology and industry capabilities is potentially in conflict with Australia's goal of self-reliance—the ability to adapt, modify, upgrade and maintain key weapons systems. There is, however, growing awareness within the USDoD that interoperability and coalition support for US military activities is 'not a one-way street'. In its February 2004 report to Congress on industrial capabilities, the USDoD highlighted the paradigm shift in 'its reassessment of the industrial base capabilities ... and an increasingly global industrial infrastructure ... [that requires] the Department be prepared to accept the benefits offered by access to the most innovative, efficient, and competitive suppliers worldwide.'

It also said that 'the Department must be, and is, prepared to use non-U.S. suppliers to support critical warfighting goals ... when the supplier and the nation in which it resides have demonstrated reliability in:

- Responding to DoD technology and product development requirements
- Meeting DoD delivery requirements during peacetime and/or periods of conflict or international tension
- Precluding unauthorized transfer of technical information, technologies, or products within the nation or to third parties.'

At the 2004 American Institute of Aeronautics and Astronautics (AIAA) Defense Excellence Conference, USDoD officials said:

'To engage our allies for best capability, the alliance must be viewed as a ... triangle of the U.S. Government, the allied countries, and defense industry ... Allied countries offer a good deal of engineering, technical, and managerial talent; technology; R&D capability; political credibility; understanding of democracy-building; prospects for outsourcing; and availability of valuable infrastructure and manufacturing capabilities ... [and they] should be involved in U.S. defense programs ... it is very difficult to ask our coalition partners, who are putting their soldier's lives at risk, "not" to participate in manufacturing.'

Australia has the opportunity to become a reliable and secure technology and industrial partner with US industry

This change in thinking by the USDoD is reflected in the international industrial participation approach to the Joint Strike Fighter (JSF) project, where partner countries benefit from being part of the global supply chain of the US prime contractor. If successful, the JSF project is likely to become a model for many future US defence development programs. With offsets not available on these projects without a significant premium, foreign industry involvement will only be on a global 'best value' or 'strategic second sourcing' basis.

Australia has the opportunity to become a reliable and secure technology and industrial partner with US industry, but this will only occur through a government-to-government agreement supporting an internationally competitive industry that protects US technology. A new White Paper should include a long-term strategy for industry, based on the completed Sector Plans, to develop and sustain critical capabilities to support the ADF's key weapons systems including future upgrades. The alliance and the annual AUSMIN and ADAC meetings provide a vehicle for discussions at the highest level on Australian access to US technology and weapons systems capability, and the harmonisation of US and Australian defence industry capabilities. Australia has the opportunity to become a supplier of niche products and services, and a reliable second source option to US industry.

THE NEXT BIG CHALLENGES

Simon Harrington

Any prediction of what lies ahead is risky, but there can be little doubt now that the major strategic challenge facing the international community is that posed by modern terrorism. For the first time since the Cold War ended, an incoming Defence Minister (and government) has a relatively clear picture of the major security threat. September 11 was much too close to the last election for that to have been the case and for there to have been any real understanding of its implications.

In the last three years it has become quite clear that terrorists have no respect for individual rights, even life, and that they seek to destroy international order as we know it, perhaps especially democracies. They take advantage of weak sovereign states where they have operated with near impunity. But it isn't only weak states that have this problem. Terrorists have also operated with considerable freedom in nations that have strong central governments. Singapore and Germany immediately spring to mind. The threat is global: already terrorist acts have destabilised governments, and influenced elections.

Iraq and, to a lesser extent, Afghanistan have demonstrated quite clearly that this new threat [of terrorism] cannot be defeated by military superiority alone, even if it is overwhelming.

Terrorism is not an ideology like previous ‘-isms’ such as communism and Nazism, but it may have greater potential than they did to destroy society as we know it. Methods that defeated Nazism and communism will not work against terrorism. Iraq and, to a lesser extent, Afghanistan have demonstrated quite clearly that this new threat cannot be defeated by military superiority alone, even if it is overwhelming. It will take a carefully coordinated global approach, targeted more at the terrorists’ ability to indoctrinate and train young people, raise money, acquire weapons, move across international borders, and communicate internationally than against their military capability, such as it is. This points to a much broader set of initiatives than just military force if terrorism is to be eliminated.

All this leads to the inference that a broad-ranging policy document encompassing all elements of a national response to counter the terrorist threat is needed. Call it a National Security Policy Paper (NSPP). This should be the incoming government’s first priority and the incoming Defence Minister should be instrumental in developing the NSPP. Only after this is produced should the Minister contemplate a new Defence White Paper.

One topic the NSPP should address is Australia’s bureaucratic structures and processes. They must be as effective as possible in enabling Australia to contribute to eradicating the threat globally and to countering terrorist activities that will occur in Australia. Australia’s bureaucracy is largely structured to reflect obsolescent conceptual divides between war and peace, and internal and external threats. However, in making changes, care needs to be taken that the new structures or processes do not have too detrimental an impact on the Australian way of life. If that happened, the terrorists would have partially won.

Australia’s bureaucracy is largely structured to reflect obsolescent conceptual divides between war and peace, and internal and external threats.

No matter what the outcome, a number of ministers will have some responsibilities for countering terrorism. So will state authorities. The new Defence Minister will have to consult with these other ministers and state authorities more closely than ever before.

Another challenge for the incoming Minister is to ensure maximum leverage is gained from the relationship with the United States. To date, Australia has strongly supported US actions to counter terrorism. In so doing, and because of East Timor, the relationship has never been closer. The new Minister needs to think very carefully about how best to make use of this access. It would be folly simply to support all US initiatives without question. That would be a waste, and the US would soon conclude there was no need to consult. It would be equally stupid to quibble over every minor security issue, or to air disagreements publicly. The access currently enjoyed would be lost very quickly. This calls for a much more closely coordinated approach to Defence’s myriad of interactions with its US counterparts.

The incoming Minister must also review carefully whether the Australian Defence Force (ADF) is contributing to the war against terrorism as effectively as possible. What is the best balance between contributing to operations outside the immediate area (for example,

deployments to Afghanistan and Iraq), preparing for and contributing to any emerging terrorist activity in the region, and focusing on defending Australian assets from attack?

Terrorism will not be defeated by retreating to a 'fortress Australia' posture. Nonetheless, the ADF does have an important role to play supporting civil authorities in critical infrastructure and border protection, intelligence collection, and the like. It can perform some elements of some of these roles more effectively than other agencies and should therefore do so. The incoming Minister must ensure that appropriate resources are devoted to this, but that the ADF has responsibility only for those tasks other agencies cannot really undertake.

Terrorism will not be defeated by retreating to a 'fortress Australia' posture. Nonetheless, the ADF does have an important role to play supporting civil authorities in critical infrastructure and border protection, intelligence collection, and the like.

On the global front the ADF can only make minor contributions, providing specific force elements such as it has with air traffic controllers in Iraq. These contributions are more significant from a symbolic perspective but that does not make them any less valuable.

The more important issue for the incoming Minister will be to decide how the ADF can best contribute to countering terrorism within the region. The United States is stretched globally and therefore Australia will have to take a lead in ensuring that terrorists cannot establish a foothold in the region. While the micro-states are too small to provide safe havens or training camps, they are vulnerable to terrorists and organised crime using them for activities such as money laundering, obtaining passports, and using ships registered in these countries. It appears the latter has already happened. Similarly, there is evidence that organised crime has used Fiji for manufacturing drugs. Indeed, links between organised crime and terrorism are fertile ground for investigation.

Few regional nations have the wherewithal to counter such activities. Some terrorist groups have more resources at their disposal than some of the micro-states. Australia can certainly help in detecting any such activity and assist in stamping it out. The recent ADF contribution to the Solomon Islands is a good example of what can be done. The challenge the Minister will face is not whether the ADF should be prepared for such activities, but what proportion of the relatively limited resources should be devoted to them as opposed to the more conventional roles undertaken by the ADF. Capabilities such as antisubmarine warfare have atrophied because of insufficient training due to higher priorities. The longer these conventional skills remain insufficiently exercised, the more difficult it will be to regenerate them.

A second consideration is the ADF's force structure. The Defence Capability Plan (DCP) has been subject to a number of reviews and quite significant changes since first produced. Further refinements are likely. The real question for the Minister is whether the DCP can be delivered in the time envisaged, and within the projected cost. The Minister will have to keep a very close eye on this, particularly while the new arrangements for the Defence Materiel Organisation are bedded down.

The real question for the Minister is whether the DCP can be delivered in the time envisaged, and within the projected cost.

None of this should come as a great surprise. Nor should it. But now that the threat is so much clearer, the incoming Defence Minister has the opportunity to take some firm new initiatives as outlined above.



FIVE PRIORITIES FOR GOVERNMENT

Robert Ayson

The incoming Australian Federal Government will be setting its security and defence policies in an environment which is unlikely to be dominated by a single organising theme. Its first priority should be to recognise this diversity and avoid falling into the trap of thinking that international terrorism should be regarded as the dominant and all important challenge.

...it is important that the war on terror tail not be allowed to wag the regional security dog.

In particular the government needs to ensure that the 'war' on terrorism (potentially everlasting because of the impossibility of defining victory) does not obscure the vital long-term security issues in the Asia-Pacific region which engage Australia's key interests. These issues include, in the short and medium terms, the internal and transnational challenges facing some of Australia's leading Melanesian and Southeast Asian neighbours which will continue to demand the attention of strategic planners in Canberra (and in Wellington). They also include, in the medium and long terms, the evolving strategic relationships between the major regional powers in North Asia. Australia's contributions to regional counter-terrorism activities may well serve these security objectives, but it is important that the war on terror tail not be allowed to wag the regional security dog.

However, the recent pattern of Australian Defence Force deployments confirm that this country's interests do not stop at the Asia-Pacific region. The 2003 Defence Update was a response in part to Australia's

contribution to the war in Afghanistan, and its upcoming role in combat operations in Iraq. The second priority for the government is to complete the unfinished debate on the relative importance of Australia's global and regional security interests—sometimes seen as a competition between an expeditionary force philosophy and the long established (and very malleable) Defence of Australia concept. The answer is not to make a choice which includes one and excludes another, but to find a balance which ensures both focus and flexibility.

One possible outcome here is to structure Australia's capabilities around likely regional requirements on the basis that the resulting force elements can then be available for operations much further afield subject to availability. Trying to do the opposite may be a lot trickier—Australia may be able to provide valuable 'niche' components to deployments much further afield, but the combination of these individual components does not necessarily equate to the sort of relatively self-sufficient and integrated force packages Australia may need to assemble for more local contingencies under its own leadership and in cooperation with New Zealand (and other Pacific partners). This means that geography is still vitally important for Australian defence and security planners. But its significance may be less on the basis of deterring the build-up and possibility of any direct threats to Australia in the northern approaches and more on the basis of assisting closer neighbours with their own wider security challenges as a more indirect approach to meeting Australia's security interests.

Recent Australian contributions closer to home have highlighted that much more than defence forces are central in contemporary efforts to build security.

Recent Australian contributions closer to home have highlighted that much more than defence forces are central in contemporary efforts to build security. The Australian Federal Police and AusAID, to name but two other organisations, are playing central roles along with the Australian Defence Force (ADF) in enhancing security in the Solomon Islands. Similarly cooperation on security issues between Australia and Indonesia is also on a multi-agency basis. Stabilisation operations anywhere in the world confirm the trend that security is so much more than defence. Hence with or without the war on terror (which itself also calls on much more than just military resources), many of Australia's future security contributions will involve the combined efforts of many government agencies. But Australia lacks a comprehensive strategy document on the public record which shows how these various national resources will be applied and coordinated. The third priority for the government, therefore, should be the production of an integrated national security strategy document with plans to review and update it at regular intervals.

It is one thing to identify such a strategy document as a desirable goal. It is another to come up with it, let alone implement it. The fourth priority is an organisational one: ensuring that there is a body of advisers whose dedicated role is the security policy coordination which

a national security strategy envisages. As ASPI's Peter Jennings has argued elsewhere, this does not mean an Australian version of the rather ambitious Department of Homeland Security. If there is an American analogy it could be the older, more focused and justifiable National Security Council. Some observers might argue that Australia's National Security Committee of Cabinet already performs the necessary functions. But the next government needs to ensure it has a dedicated body which provides ongoing policy coordination, focuses on long-term security policy planning, and whose workings are as transparent as possible with extensive opportunities for interaction with Parliament and also with the wider security studies community.

These four priorities would all support Australia's wider defence and security interests. But the next government can also make a difference to the interests of the international community. One area needing such a contribution is disarmament and arms control in which Australia has both expertise and a strong historical reputation. This should be the fifth priority for the government. International concerns about nuclear proliferation, especially in the Middle East and North Asia, suggest nuclear weapons as an obvious area for concentration. Indeed, over a decade since the end of the Cold War (the main rationale for maintaining nuclear weapons for deterrence purposes), the time is ripe for a nuclear weapons convention to go alongside the chemical and biological weapons conventions which Australia has supported so strongly.

...the government needs to ensure it has a dedicated body which provides ongoing policy coordination, [and] focuses on long-term security policy planning...

But Australia could also make other weapons categories a major focus. Missile proliferation in its various forms (including ballistic and cruise missiles) is arguably just as concerning as the spread of weapons of mass destruction. Much more than the proliferation security initiative and missile defence is needed to deal with these challenges. Australia could set as a major policy goal an improvement in the rather modest record of the Asia-Pacific's regional institutions (including the ASEAN Regional Forum) in confronting the challenge posed by regional missile proliferation. Missile proliferation issues might be considered, or at least monitored, by a new regional arms control forum which could gain impetus from such recent initiatives as the Six Party Talks on North Korea's nuclear weapons program and the talks between India and Pakistan.

Perhaps most significantly of all, a major Australian initiative would be welcome in the control and disarmament of small arms. Australia's leading role in disarmament efforts in the Solomon Islands indicates that substantial capital and experience has already been built up in this area. The trick will be to ensure that the particular demands of small arms

...a major Australian initiative would be welcome in the control and disarmament of small arms.

disarmament at the local level (as in Australia's nearer region) are not overtaken by any one size fits all approach at the global level, but that at the same time global efforts are not abandoned because of the diversity of local circumstances. As a country with strong international security and defence links, and important local interests, Australia can be an energetic disarmament intermediary.

Contributors

Dr Coral Bell



Whether John Howard or Mark Latham is in the Prime Minister's chair when the new Cabinet meets, the Australian national interest will be precisely the same: the security and prosperity of the Australian people...

Dr Bell is at the moment a Visiting Fellow in the Strategic and Defence Studies Centre at the Australian National University. Previously she was a Professor of International Relations at the University of Sussex, and earlier a member of the Australian Diplomatic Service. Her most recent book is *A World Out of Balance*, a study of the current unipolar world and its conflicts.

Professor Peter Edwards AM



...perhaps the best advice to the government that will lead this country over the next three years...would be to avoid making long-term decisions as far as possible for the first year or so.

Professor Edwards is a consultant historian specialising in Australian defence and foreign policy. He is currently an Honorary Professor at Deakin University, Melbourne, and a Visiting Professor of the University of New South Wales at the Australian Defence Force Academy, Canberra. He is official historian of Australia's involvement in Southeast Asian Conflicts 1948-75 and his books include *Prime Ministers and Diplomats*, *Crises and Commitments*, and *A Nation at War*.

Professor Robyn Lim



As an island continent, we are best defended at a distance, and in the company of more powerful allies.

Professor Lim is Professor of International Relations at Nanzan University, Japan, and the author of *The Geopolitics of East Asia* (CurzonRoutledge, 2003). She frequently contributes articles to the international and Japanese press on East Asian security issues. From 1988 to 1994, she worked in the Office of National Assessments, where her last position was Acting Head of Current Intelligence.

Dr Rod Lyon



In the years to come we are likely to find it more difficult to build and maintain consensus about our strategic objectives, and about the mechanisms we should use to achieve them.

Dr Lyon lectures in international relations at the University of Queensland. His research interests include global security, nuclear weapons strategy and proliferation, and Australian security. Earlier this year he was awarded a Fulbright Professional Scholarship to study alliance relations at Georgetown University. From 1985 until 1996, he worked in the strategic analysis branch of the Office of National Assessments.

Professor William Maley AM



...to the extent that there is a 'solution' to terrorism, it lies in addressing the frustrations that fuel it, and avoiding adding to those frustrations.

Professor Maley is Director of the Asia-Pacific College of Diplomacy at the Australian National University, and has served as a Visiting Professor at the Russian Diplomatic Academy, a Visiting Fellow at the Centre for the Study of Public Policy at the University of Strathclyde, and a Visiting Research Fellow in the Refugee Studies Programme at Oxford University. He is author of *The Afghanistan Wars* (Palgrave Macmillan, 2002); edited *Fundamentalism Reborn? Afghanistan and the Taliban* (New York University Press, 1998, 2001); and co-edited *From Civil Strife to Civil Society: Civil and Military Responsibilities in Disrupted States* (United Nations University Press, 2003).

Mr Graeme Dobell



...nothing is more dangerous than a general with a shopping list or an admiral with a faraway look in his eye.

Mr Dobell is Foreign Affairs/Defence Correspondent of Radio Australia & ABC Radio. He is the author of *Australia Finds Home: The choices and chances of an Asia Pacific journey* (ABC Books, 2000).

Major General Michael G. Smith AO (Retd.)



The next Australian Government should consider adopting a national security strategy of *comprehensive engagement*. The strategy should be comprehensive in considering all elements of national security...

Major General Smith is CEO of AUSTCARE (Australians Caring for Refugees), and is a member of the Executive Committee of the Australian Council for International Development. During his military career he held numerous command appointments in the Australian Army, and had overseas service in Papua New Guinea, Kashmir, Cambodia and East Timor. His last appointment was as the Deputy Force Commander of the United Nations Peacekeeping Force in East Timor. Major General Smith has written and presented on security-related issues, including a book titled *Peacekeeping in East Timor: The Path to Independence* (Lynne Rienner, 2003).

Air Vice Marshal Brendan O'Loughlin AO (Retd.)



While ordinary Aussies may not know the jargon of air-sea control or network-enabled warfare, they have some pretty well-developed ideas.

Air Vice Marshal O'Loughlin is a former Air Force pilot who retired from the RAAF with the rank of Air Vice Marshal. He held several senior policy positions in Defence in the field of international affairs and strategic policy. His career also included several overseas postings, the last being Head of the Australian Defence Staff at the Australian Embassy in Washington. He devotes much of his time now to music, working with ASPI on the *Listening to Regional Australia* project in between gigs.

Mr Kenneth R. Peacock AM



It is time for a new and more comprehensive White Paper that considers the changing threat environment; increased terrorist focus on industrial and ‘soft’ targets; and the strong dependence of the Australian Defence Force on the US and Australian defence industries.

Mr Peacock is Chairman of the Joint Strike Fighter Industry Advisory Council and a member of the Australian War Memorial Council. He has a Bachelor of Science degree (Honors in Economics) from Columbia University, and undertook post-graduate studies at the University of Sydney, University of Melbourne School of Business, and University of Hawaii. He previously was Executive Chairman, Boeing Australia, AeroSpace Technologies of Australia, Hawker de Havilland, and Rockwell Australia; and held senior management positions with Alcoa of Australia, and Wormald International. He has worked in the United States, Europe and Canada.

Rear Admiral Simon Harrington AM (Retd.)



...there can be little doubt now that the major strategic challenge facing the international community is that posed by modern terrorism

Rear Admiral Harrington retired from the Navy as a Rear Admiral in 1992 after nearly 40 years service. His last posting was as Defence Attaché in Washington. Since retiring he has consulted on defence and national security matters.

Dr Robert Ayson



It is one thing to identify such a strategy document as a desirable goal. It is another to come up with it, let alone implement it.

Dr Ayson directs the Australian National University’s Graduate Studies in Strategy and Defence program and is a Fellow in the Strategic and Defence Studies Centre. He has taught in New Zealand universities and served as Adviser to the NZ Parliamentary Select Committee on Foreign Affairs, Defence and Trade. The author of *Thomas Schelling and the Nuclear Age* (Frank Cass, 2004), his research interests include strategic concepts, Asia–Pacific stability, and Australia–New Zealand defence issues.

Acronyms and abbreviations

ADAC	AUSMIN Defence Acquisition Committee
ADF	Australian Defence Force
AIAA	American Institute of Aeronautics and Astronautics
ALP	Australian Labor Party
ANZUS	Australian, New Zealand and the United States
ASEAN	Association of Southeast Asian Nations
AusAID	Australian Agency for International Development
AUSMIN	Australian–United States Ministerial Consultations
DCP	Defence Capability Plan
DISPS98	1998 <i>Defence and Industry—Strategic Policy Statement</i>
EBO	Effects Based Operations
JSF	Joint Strike Fighter
MDGs	Millennium Development Goals (United Nations)
NATO	North Atlantic Treaty Organisation
NGO	non-governmental organisation
NSPP	National Security Policy Paper
R & D	research and development
UN	United Nations
USDOD	United States Department of Defense
WMD	weapons of mass destruction

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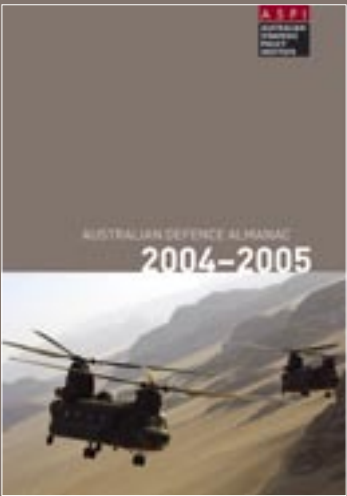
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Contributors

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Simon Harrington
Robert Ayson

'With a certain youthful precocity, ASPI has injected new ideas and vigour into our national security debate.'

Prime Minister John Howard, June 2004