Defence and security policy developments in Australia

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The past twelve months have seen important developments in Australia's defence and security policy. Australia's inaugural National Security Statement was released in December 2008 and its first Defence White Paper in nine years was released in May 2009. These two documents set out the defence and security policy of the Rudd Labor government that took power in late 2007.

While there is a great deal of continuity with previous policy, there are some significant changes and even a few surprises.

The 2008 Australian National Security Statement

Consistent with its election promise, the Rudd government released Australia's first National Security Statement on December 4, 2008. The Statement is a relatively short document, amounting to only twelve pages. As such, it is a high level strategic document that in no way should be confused with a National Security Strategy like that produced by the United States in 2006 or the United Kingdom in 2008.

The 2008 National Security Statement is a key part of a broader package of policy development that the Rudd government initiated soon after entering office. It provides context for the Defence White Paper (released in May 2009) and the forthcoming Counter-Terrorism White Paper and National Energy Security Assessment. Moreover, the Statement incorporates the results of a review of Homeland and Border Security commissioned in early 2008. As the Statement says, it is designed to begin 'the process of binding the detailed and diverse work of the national security community into a coherent, coordinated whole.'

The Statement defines national security in relatively broad terms:

> *Freedom from attack or the threat of attack; the maintenance of our territorial integrity; the maintenance of our political sovereignty; the preservation of our hard won freedoms; and the maintenance of our fundamental capacity to advance economic prosperity for all Australians.*

Noteworthy is the inclusion of the 'capacity to advance economic prosperity', an area not always identified with national security.

As for the security environment and Australia's place within it, the Statement embraces the now routine post-9/11 depiction of increasing complexity, rapid change and multi-layered inter-connectedness within which Australia is a 'regional power, prosecuting global interests'.

The 'clear and enduring security interests' identified by the Statement are;

- maintaining Australia's territorial and border integrity
- promoting Australia's political sovereignty
- preserving Australia's cohesive and resilient society and the long term strengths of the economy
- protecting Australians and Australian interests both at home and abroad
- promoting an international environment, particularly in the Asia Pacific region, that is stable, peaceful and prosperous, together with a global rules-based order which enhances Australia's national interests.

Advancement of these interests will be based on seven 'enduring principles' which reflect in large part long-established Labor party policy on defence and foreign affairs matters. The principles are:

1. *Self reliance* across the range of national security capabilities.
2. The *Australia-US alliances* based on the 1951 ANZUS treaty.
3. Bilateral and multilateral *regional engagement.*
4. A commitment to *global multilateral institutions* and particularly the United Nations.
5. A strategy of using *creative middle-power diplomacy* to further Australian interests.
6. A *risk-based approach* to national security planning and spending.
7. *Federal-state cooperation* on national security affairs.

The Statement places Australia's national security firmly in the context of what it calls 'the Asia-Pacific century' and identifies the relationships between China, Japan and United States as central to Australia's economy and security. The US-China relationship is described as 'most crucial'. While the Statement says that conflict between major powers is 'unlikely', it acknowledges that the landscape is changing and the Australia needs to 'be prepared for any unforeseen deterioration in the strategic environment'. Most importantly, the Statements judges that 'the future strategic stability of the Asia-Pacific region will in large part rely on the continuing strong presence of Australia's closest ally, the United States'.

In terms on non-traditional threats, although the Statement adopts a somewhat less urgent tone on the issue of terrorism than was sometimes heard under the Howard government, the issue is examined at length. So too are the long-established problems of fragile states on Australia's periphery, energy security, transnational crime and border security. And

consistent with the UK approach, climate change is identified as ‘a most fundamental national security challenge for the long term future’. One area of particular prominence in the Statement that has not previously been discussed at length is cyber-security

The government’s response to the identified national security challenges has three parts;

- an activist diplomatic strategy aimed at keeping our region peaceful and prosperous
- an Australian Defence Force that is ready to respond to a range of situations from combat operations to disaster relief
- building and maintaining national security agencies and capabilities that work effectively together.

Among the many diplomatic initiatives underway already by the Rudd government, perhaps the most high profile (and least likely to succeed) is the ‘development of an Asia-Pacific Community by 2020 as a means of strengthening political, economic and security cooperation in the region in the long term.’ Of more immediate interest and substance, the Statement announces strengthened ‘security policy cooperation with a number of regional partners including Japan, South Korea, Indonesia, Malaysia and Singapore.’ In addition, it says that the government wishes to expand ‘security policy dialogue with China and our security policy cooperation with India.’

On the whole, the Statement’s description of the national security environment was largely as expected. Equally, the conceptual framework laid out in response was a logical and unsurprising extension of existing Rudd government policy. Where the Statement gets interesting is in what it says about the organization of Australia’s national security bureaucratic infrastructure as a result of the Review of Homeland and Border Security. Rather than follow the US model and create a single consolidated Homeland Security Agency, the decision was taken to retain multiple national security agencies but to add a level of coordination below the political level of government. To achieve this, the position of National Security Advisor will be created reporting to the Prime Minister with responsibility for advice ‘on all policy matters relating to the security of the nation, and to oversee the implementation of all national security policy arrangements.’ The position is a Public Service appointment within the existing Department of Prime Minister and Cabinet.

The Statement describes the need for a National Security Advisor as ‘to provide improved strategic direction within the national security community; to support whole-of-government national security policy development and crisis response; and to promote a cohesive national security culture’. Additional specific initiatives identified for the National Security Advisor include:

- establishing an executive development program in national security perhaps leading to a National Security College
- developing a strategic policy framework with a view to establishing a coordinated

budget approach for national security

- putting in place a whole-of-government evaluation mechanism.

Another measure outlined in the National Security Statement are the establishment of a National Intelligence Coordination Committee (chaired by the National Security Adviser) to ensure that the national intelligence effort is effectively integrated and 'closely aligned and accord with Australia's national security priorities'.

In addition, the Australian Customs Service will be expanded to become the Australian Customs and Border Protection Service with the 'capability to task and analyse intelligence, coordinate surveillance and on-water response, and engage internationally with source and transit countries to comprehensively address and deter people smuggling.'

Finally, a Crisis Coordination Centre will be established to 'improve inter-agency whole-of-government management of major crises and be supported by new facilities for secure ministerial participation in rolling national security crisis management'.

It is fair to say that the 2008 National Security Strategy has continued the process of refining and improving the national security apparatus that began following September 2001. Most importantly, it has firmed up the process of whole-of-government coordination. A more coherent and comprehensive statement of national security policy will have to await future National Security Statements and perhaps, eventually, a formal National Security Strategy.

The 2009 Australian Defence White Paper

After sixteen months of preparation and a five month delay, the Australian government's new Defence White Paper was released in May 2009. Entitled *Defending Australia in the Asia-Pacific Century: Force 2030*, it is the first Defence White Paper since 2000. With a twenty-one year time horizon, *Force 2030* takes a long-term view of the development of the Australian defence force.

A lot has been written in the media and academe in Australia regarding *Force 2030*, much of it critical. Given that this commentary is freely available online, no attempt will be made to capture the range of views in what follows. Instead, I'll try to set out what the document says and highlight where changes have been made compared with prior Australian defence and strategic policy. Nonetheless, it is probably unavoidable that my personal prejudices will show through in parts.

With some minor changes, *Force 2030* continues the post-Vietnam conception of Australia's defence built around the defence of the continent from armed attack. In doing so, it presents a simplified version of the 'concentric circles' approach to defence policy that was set out in its 2000 predecessor. *Force 2030* identifies four priorities for the Australian defence force. Theses are in descending order:

1. Deter and defeat armed attacks on Australia.

2. Contribute to stability and security in the South Pacific and East Timor.
3. Contribute to military contingencies in the Asia-Pacific region.
4. Contribute to military contingencies in the rest of the world.

Of the four priorities, only the first two determine the structure of the Australian defence force while the others influence enhancements to capabilities than might be needed to allow them to be used in those circumstances.

A long-standing tenant of Australian defence and strategic policy is the doctrine of 'self-reliance'. Consistent with this, it is expected that the Australian defence force should be able to *act independently* to deter and defeat armed attacks on Australia or when Australia's unique interests are at stake, where appropriate *lead coalitions* where Australia has shared strategic interests at stake with others, and *make tailored contributions* to military coalitions where Australia shares wider strategic interests with others.

As described so far, *Force 2030* is not significantly different from its 2000 predecessor. Where the two documents diverge, is in the assessment of the strategic environment and in some aspects of the planned response. Three factors that stand out are; the military demands of defending of Australia, the expectation of support under the US alliance, and the potential for great power conflict in the Asia-Pacific.

Geography dictates that the Indonesian archipelago and its Melanesian satellites are the strategic approach to the Australian continent. The term-of-art usually used is that any military attack on Australia would have to come 'from or through' the archipelago to our north. Irrespective of whether a threat emerged within or beyond, this simple fact has set the fundamental military objective for our defence force since at least the late 1970s. In the 2000 White Paper, the task was set at 'denying our air and sea approaches to any credible hostile forces', in 2009 the task has become 'controlling the air and sea approaches to Australia'.

The distinction between 'denying' and 'controlling' is significant, the former is a subset of the latter as official RAN definition makes clear: 'Sea Denial: The condition that exists when one's adversary is denied the ability to use a maritime area for his own purposes for a period of time, without being able to exercise sea control oneself.' What's more, *Force 2030* says that the ADF has to be able to safeguard 'critical sea lanes', a vastly demanding task that was absent from earlier policy. By moving from sea denial to sea control and expanding the notion of defending Australia to include the protection of critical sea lanes, *Force 2030* significantly raises the bar on what the defence force is expected to do.

These more demanding tasks are reflected in the range of expanded maritime capabilities announced in *Force 2030*. These include twelve new submarines to replace the current fleet of six Collins class submarines when the leave service in the mid-2020s, eight new anti-submarine warfare capable destroyer-sized surface combatants to replace the present

Anzac class frigates around the same time, and a new fleet of large multirole offshore patrol combatants to enter service also in the 2020s.

The potential demands on the Australian defence force are further ratcheted up by what *Force 2030* says about our alliance with the United States and self-reliance. While stressing the value of the alliance, it is somewhat equivocal—even unclear—about the potential endurance of US strategic primacy in the Western Pacific. More importantly, *Force 2030* boldly circumscribes the expectations of the assistance that Australia expects under the ANZUS Alliance. Specifically, under the heading of 'The Australia-US Alliance and our Defence' it says that 'Australia would only expect the United States to come to our aid in circumstances where we were under threat from a major power whose military capabilities were simply beyond our capacity to resist'. Not only does this redefine the notion of self-reliance, but it caveats the 1951 treaty in a way not previously seen.

The third noteworthy factor is the view taken in *Force 2030* in the potential for great power conflict in the region. While the document is diplomatically circumspect in discussing the possibilities, it concedes that 'tensions are likely between the major powers of the region' and that as 'the primacy of the United States is increasingly tested, power relations will inevitably change' thereby introducing the possibility of 'miscalculation' and 'a small but concerning possibility of confrontation between some of these powers'.

However small *Force 2030* judges this to be; it takes it serious enough to discuss the consequences in some detail. To start with, it says that Australia should be prepared to make 'potentially substantial' contributions to meet our alliance obligations in the Asia-Pacific. Specifically, at 'the highest end of the scale, Australia might need to be prepared to engage in conventional combat in the region, in coalition with others, in order to counter coercion or aggression against our allies and partners'. [It is perhaps worth mentioning that *Force 2030* describes Japan, and only Japan, as a 'critical strategic partner'.]

To underline the seriousness of this, *Force 2030* goes on to outline the direct threats that Australia might face as a result of such assistance including 'aggressive intelligence collection operations being conducted against us; missile strike, air attack, or special forces raids against Australian territory or offshore facilities; mining of our ports and maritime choke points; threats to or harassment of critical shipping between Australia and its trade partners; hostile submarine operations in our approaches and our waters; and cyberattacks on our defence, government and possibly civil information networks'.

Of course, while a confrontation involving India and Russia cannot be discounted, the principle risk that the White Paper is referring to is a conflict between China and the United States (either alone or alongside Japan) in which Australia becomes embroiled. In this way, the White Paper explicitly links Australia's security to the fate of North-East Asia. How China will respond to Australia's thinly veiled depiction of them as a potential adversary remains to be seen. Their sustained silence is difficult to interpret.

The focus on great power inter-state conflict in *Force 2030* is accompanied by a downplaying of non-traditional threats like terrorism as a role for Australian defence force—at least relative to the focus of the Howard Government. Similarly, Force 2030 places an explicitly lower priority on making contributions to US coalition operations in the Middle East than the Howard Government did. But this might only be a rhetorical difference. When examined closely, both the Howard and Rudd governments are happy to 'free-ride' on US efforts in Afghanistan and Iraq—garnering as much credit as possible for minimal contributions on the ground.

When it comes to substantive plans for building the Australian defence force, *Force 2030* outlines the developments to take place over the next twenty-one years. In the near term—in fact over the next decade—*Force 2030* effectively continues to deliver the range of capabilities planned under the Howard government. The army will continue to be expanded and the strike and fighter aircrafts fleets will be replaced by the F-35 Joint Strike Fighter. In is only towards the 2020s that the Rudd government's vision of Australia as a robust maritime middle power begins to take shape.

Given the extended time horizon of *Force 2030*, it must be conceded that many of the plans will be reconsidered multiple times before they become reality—and therefore are subject to revision or even cancellation. Indeed, the government has committed to a five-year cycle of Defence White Papers that will guarantee ongoing refinement of the plans.

Despite the Global Financial Crisis, the government renewed its long-term commitment to increase defence funding in real terms by 3% per annum for the next decade and promised 2.2% real growth for the decade than follows. Although there were some near-term deferrals of previously planned spending in the 2009 budget, the Australian defence force appears, so far, to have largely escaped the impact of the recession. Whether this continues will depend on how hard Australia is hit by the downturn, and also on the extent to which events maintain support for strong defence spending in the electorate.

Implications for the Australia-Japan security relationship and cooperation

The prospects for strengthening the Australia-Japan security relationship are good under the Rudd government. The parallel commitments to engagement with Asia and 'middle power diplomacy' predispose the government to engage closely and constructively with a major power in the region like Japan.

Consistent with this, and building on the expanded Memorandum on Defence Cooperation (see Attachment 1) signed between the Japanese Ministry of Defense and the Australian Ministry of Defence in December 2008, *Force 2030* mentions 'further cooperation in counter-terrorism, disaster relief, humanitarian assistance, peacekeeping and maritime security; a commitment to explore cooperation in science and technology; a commitment to develop an annual calendar of defence activities; an emphasis on multilateral and trilateral defence cooperation with the United States; and a formal commitment to regular bilateral Defence Ministers' meetings.'

From modest beginnings earlier in the decade, the Australia-Japan security relationship is now progressing on a number of fronts. What is more, the tri-lateral strategic dialogue involving Australia, Japan and the United States is now well established. So where do we go from here?

In the near-term, the answer is simple; we get to work implementing the many useful avenues for cooperation outlined in the 2008 Memorandum. To some extent, the depth of the relationship will be determined by the breadth of engagement that we actively pursue. And there is no need to rush; relationships take time to develop. Exchanges, dialogues and cooperation will slowly but surely build personal links between our respective political leaders, foreign affairs and defence organisations.

Beyond this, we need to work out what it is we want from our bilateral security relationship (and equally what we want from our joint strategic relationship through the Trilateral Strategic Dialogue with the United States). This is not a matter of deciding once and for all the nature of the relationships, but rather, moving forward concurrent with the emergence of other relationships and institutions in Asia. The security architecture of the region is a work in progress, and while ideas for its design are useful, the reality is that it will develop incrementally and organically.

The uncertainty surrounding the development of our bilateral security relationship (and trilateral relationship with the United States) is also a reflection of the uncertainties surrounding our own individual roles. It is clear, for example, that the Rudd government is still feeling its way in Asia. The depiction of Asia's future in Australia's White Paper reveals uncertainties and misgivings about how things will develop in general and about China in particular.

Arguably, one of the most valuable things that our security relationship can give us is the opportunity to talk through and further develop our thinking on how Asian security affairs can develop constructively and peacefully.

Finally, a note of caution is necessary. While looking for a way ahead, we need to be careful not to inadvertently shape the security environment against our long-term interests. Specifically, we need to guard carefully against our bilateral and trilateral relationships being misperceived by Beijing as a bulwark against China's rise as a strategic player in the region.

Attachment 1

Memorandum on Defence Cooperation between Ministry of Defense, Japan and Department of Defence, Australia

This Memorandum is between the Ministry of Defense, Japan (MOD) and the Department of Defence, Australia (ADOD) (hereinafter referred to as both defence authorities).

Both defence authorities,

recognise that the strategic partnership between Japan and Australia, based on shared security interests; friendship founded in trust and mutual respect; and a strong commitment to democracy and freedom, will continue as the basis of the excellent bilateral defence relations;

acknowledge the mutual benefits inherent in continuing their cooperation and exchange in the field of defence;

recognise that the Joint Declaration on Security Cooperation of 13 March 2007 and the Memorandum on Defence Exchange between Japan Defense Agency and Department of Defence Australia, which was signed on 29 September 2003, facilitate the conduct of defence cooperation activities;

seek to deepen bilateral cooperation in international peace cooperation activities, following the stipulation of international peace cooperation activities as a primary mission of the Japan Self-Defense Forces and the past achievements of defence cooperation;

hereby express the following:

1. Both defence authorities share the intention to conduct the following joint defence activities.

(a) High Level Exchange

(i) Hold annual bilateral Defence Ministerial meeting.

(ii) Hold regular visits between the Vice-Minister of Defense of the MOD and the Secretary of the ADOD; between the Chief of Staff, Joint Staff of the Japan Self-Defense Forces and the Chief of the Defence Force of the Australian Defence Force (ADF); and between the Chiefs of Staff of the Ground, Maritime and Air Self-Defense Forces and their respective ADF counterparts.

(b) Working Level Exchange

(i) Hold regular military-to-military consultations on security and defence matters at the director-general or deputy director-general level.

(ii) Hold regular strategic policy discussions.

(iii) Hold regular staff talks between the Joint Staff of the Japan Self-Defense Forces and the ADF's Headquarters Australian Joint Operations Command.

(iv) Hold regular staff talks between the Japan Ground Self-Defense Force (GSDF) and the Australian Army (AA).

(v) Hold regular staff talks between the Japan Maritime Self-Defense Force (MSDF) and the Royal Australian Navy (RAN).

(vi) Hold regular staff talks between the Japan Air Self-Defense Force (ASDF) and the Royal

Australian Air Force (RAAF).

(vii) Hold staff talks on relevant subject matters between any combination of the GSDF, MSDF, ASDF and the AA, RAN and RAAF as required.

(viii) Hold working level international peace cooperation activities dialogue on the occasion of the above exchanges for practical defence cooperation in such areas.

(c) Unit-to-Unit Exchange

(i) Participate, including as observers, in bilateral and multilateral exercises.

(ii) Implement unit-to-unit exchanges between the GSDF and the AA.

(iii) Expand and enhance regular mutual maritime patrol aircraft exchanges between the MSDF and the RAN, RAAF including exercises and exchange programs.

(iv) Expand and enhance exercises and exchange programs whenever occasion permits such as during regular mutual aircraft visits by the ASDF and the RAAF.

(v) Expand and enhance exercises and exchange programs whenever occasion permits such as during regular mutual ship visits, including but not limited to training ships, by the MSDF and the RAN.

(vi) Implement unit-to-unit exchanges between any combinations of the GSDF, MSDF, ASDF and the AA, RAN and RAAF.

(d) Education and Research Exchange

(i) Exchanges of students between educational institutions of both defence authorities.

(ii) Exchanges of representatives between educational and research institutions of both defence authorities.

(e) Information Exchange

(i) Exchange strategic assessments and related information in areas of mutual interest.

(f) Technical Exchange

(i) Seek cooperation and collaboration in the area of defence science and technology, which may include the sharing of information and expertise in areas of mutual interest.

(g) Cooperation in international peace cooperation activities

(i) Promote cooperation in international peace cooperation activities. International peace cooperation activities will be defined by each country's regulations and include, but not be limited to, the following areas:

- International peace cooperation operations such as United Nations peacekeeping operations.
- International disaster relief activities.
- The Proliferation Security Initiative (PSI).
- Activities to respond to international terrorism.

(ii) Conduct the following to promote cooperation in international peace cooperation activities:

- Share inventories of regional disaster relief assets and capabilities of each defence authority's armed forces.
- Participate in exercises conducted within multilateral frameworks such as the ASEAN Regional Forum.

(iii) Undertake studies on measures to promote smooth cooperation in the area of logistics cooperation.

(h) Multilateral Cooperation

(i) Strengthen defence cooperation within the trilateral framework among Japan, Australia and the United States.

(ii) Strengthen cooperation in multilateral frameworks such as the ASEAN Regional Forum and participate in multilateral consultations and seminars held by both defence authorities (including the Tokyo Defense Forum organised by the MOD and the International Peace Operations Seminar organised by the ADOD).

(i) Other Activities

(i) Active participation in training courses and seminars offered by both defence authorities.

(ii) Short-term exchanges of MOD and ADOD personnel to promote greater mutual understanding and friendship.

(iii) Visit by the MSDF Icebreaker "Shirase" to Australian ports.

2. Both defence authorities will work to coordinate and link the exchanges mentioned in 1. in order to harmonise efforts and create more effective and efficient exchanges leading to greater opportunities for defence cooperation.

3. Both defence authorities will develop an annual calendar of defence exchanges to assist with planning for practical initiatives, and will monitor the progress of practical cooperation listed in the annual calendar through the working level exchanges listed in 1.(b) of this Memorandum including through regular military-to-military consultations.

4. Cooperation measures between both defence authorities are not limited to those listed above. Both defence authorities may consider and perform such other areas of defence cooperation as they mutually determine in the future.

5. International Policy Divisions will act as the Points of Contact for their defence authorities under this Memorandum, to ensure the steady progress of the above mentioned activities and coordinate matters of policy associated with the Memorandum.

6. Both defence authorities express their intention to ensure that any information which includes any knowledge and medium in which it is contained, acquired in the processes of their defence cooperation is administered appropriately, in line with their respective laws and fully taking into account the requests from the other side. The information, when designated, will not be released to any person, body or government other than the Governments of both defence authorities without the prior written consent of the providing defence authority.

7. Both defence authorities recognise that this Memorandum does not give rise to legally binding rights or obligations and the above mentioned activities are conducted within the legal and budgetary constraints of each country.

8. Both defence authorities may review this Memorandum at any time and amend it by mutual consent in writing.

9. This Memorandum supersedes the 2003 Memorandum on the date it is signed by both Defence Ministers.

Signed at Tokyo on 18 December 2008 in duplicate in the English and Japanese languages, both texts having equal validity.

Yasukazu Hamada
Minister of Defense
Japan

Joel Fitzgibbon
Minister for Defence
The Commonwealth of Australia