

**Australis is a collective name for a number of individual contributors to *Defender*.**

## Intelligence inquiry

The ADA continues to receive strong support for its submission and subsequent testimony to the inquiry into Iraqi WMD assessments by the Joint Statutory Committee on ASIS, ASIO and DSD. Rarely a day goes by without favourable comment from serving or retired staff from one of Australia's intelligence and security agencies, or current and past customers of their product.

The Association seems to have struck a very responsive chord and tapped a strong feeling among the professional career staff in all six agencies. Interestingly we have also received quite favourable comment from senior management staff without any professional intelligence background. This is encouraging for the success of the reforms clearly required.

For those who may care to read the Association's 13-page submission, it can be downloaded from the parliamentary website at: <<http://www.aph.gov.au/house/committee/pjcaad/WMD/subs/sub11.pdf>>.

The *Hansard* transcript of the Executive Director's subsequent oral testimony to the inquiry may be downloaded from the same website at: <<http://www.aph.gov.au/house/committee/pjcaad/WMD/official.pdf>> (pp 53–62).

## Weighting the balance in our favour

Too many Australians still appear to fear their own politicians and officials more than the terrorist groups determined to kill them in large numbers. As the ADA has noted on several occasions over the last two years as the terrorist threat worsened, our national security continues to be unnecessarily endangered by our seeming national inability to apply goodwill to negotiations about, and commonsense solutions to, pressing national security problems.

Several key High Court judgements throughout the 20th century confirmed the principle that the heads of power covering defence matters in the Commonwealth Constitution wax and wane with the seriousness of the threat to our national security. In simple terms, temporary laws and regulations governing national security measures that might be unconstitutional during 'peace' are constitutional when the threat justifies it.

Whether we like it or not, Australia is involved in the

international struggle against transnational terrorism by extremist Islamic groups. No matter how calm and normal our day-to-day lives may superficially appear, or no matter how governments seek to assure us of normality, or no matter how we ignore the problem, we are no longer living in peacetime. The recent case of Willie Brigitte, unable to be effectively identified or detained under existing legislation, should finally shatter the illusions of even the most complacent.

In both international and Australian law, 'war' is a material fact not a legal term. A war exists because it does, not because a national or international authority necessarily declares it does or does not. This principle, based on the UN Charter, underlies much of our international humanitarian law, the laws of armed conflict and the protection afforded to combatants and non-combatants under the Geneva Conventions and Protocols.

With this in mind, we need to decide how we can best fight terrorism by banning terrorist organisations in Australia, stop them disseminating propaganda and recruiting, and prevent a small minority of Australians from wilfully or inadvertently donating money to terrorists and their front groups. Currently the banning of an organisation requires its specific designation. This is despite these groups having amorphous structures and titles by nature, their frequent mutation in both fact and name, and their common spawning of numerous and separately named front groups. Most terrorist groups also purport to have separate 'political' or 'charitable' wings, arms, support groups or allegedly separate organisations.

Currently, terrorist organisations cannot be banned in Australia unless each specifically named organisation is first banned by the UN, or identified as a terrorist organisation by an Australian court, or banned by parliament through legislation. Even ignoring the unworkable in practice specific identification mandated, none of the three methods of identifying and banning terrorist organisations is working properly or can work properly.

The UN continues to avoid banning obvious terrorist organisations because some UN members sympathise with them or claim that they are somehow not terrorist. Australian courts have yet to rule on the matter because no relevant terrorist case has yet made it to trial (in itself testimony to our lack of effective legislation), and such a method would be time consuming at best and easily

circumvented. Banning terrorist groups by legislation remains fraught with difficulty, especially when political parties of all persuasions ignore the public interest and prefer to play politics or curry favour with voters based on their ethnicity, religion, political beliefs or other sectional interest.

As two cases in point, both Hezbollah and Hamas are terrorist organisations that operate behind various front groups. In both cases, Australian legislation bans only parts of each organisation rather than the umbrella controlling body and the whole organisation. As the ‘parts’ banned do not exist separately in practice, this is just silly. As the ADA noted in the Winter 2003 issue of *Defender*, all political parties in Australia contributing to this situation should revisit their professed positions and expedite commonsense measures without further delay.

## A strange way to run a railroad

As covered elsewhere in this issue, the revised Defence Capability Plan has much to commend it, especially in the continuing improvement being directed towards hardening our land forces and improving amphibious and sealift capabilities. Perhaps commendation is too strong a word; for this is no more than a belated attempt to overcome some of the worst features of past neglect; it represents a valuable rebalancing of military capabilities but a concurrent decrease in overall capability.

Politically, the revised DCP represents a flat refusal to use the federal budget surplus to overcome years of accumulated deficiencies. That surplus is clearly being reserved for next year’s electioneering and this will give heart to the noisier interest groups around the country. Given the lack of firm commitments in the revised DCP, and the absence of any serious organisational reform in the Department of Defence, the government has signalled that these growing deficiencies could get worse.

The apparent pursuit of a cost-neutral solution overall will lead to the guided missile frigates *Adelaide* and *Canberra* being taken out of service without replacement. This is, in itself, a false economy because while it is easy to take ships out of service, the financial savings will come more from the consequent personnel reductions. Personnel constitute the largest cost element in a ship in service. Significant savings will only be achieved if the trained personnel involved are made redundant or new crews for ships under construction are not recruited. This is, at least partially, an exercise in ‘smoke and mirrors’.

In the late 1960s the RAN’s Operational Research group calculated that 23 surface combatants were required to satisfy all the potential calls on Australia during a conflict of higher intensity. Even the cost-driven 1991 Force Structure Review identified a need for 16 destroyers or frigates compared with the 15 then in service. By the time the 1994 White Paper was published, the approved number had dropped to 14—six FFG and eight ANZACs. This revised Capability Plan will reduce this figure further to 12 in the short term—four FFG and eight ANZACs. Even if the ADF gets the three anti-air warfare destroyers (and that will likely be ten years in the future), there will still

only be 15 major surface combatants with under half of them being proper Tier 1 combatants.

Coupled with the reduction of the number of patrol boats from 15 to 12, the overall maritime warfare capability declines in real terms. While there is no doubt that the replacement patrol boats are more capable—as will be those of any potential adversaries - there is no substitute for hulls in the water. This is especially so given the vast area of Australia’s maritime responsibility, and the apparently endless range of naval commitments ranging from the Middle East through border protection to the Solomon Islands and, potentially, to the interdiction of merchant vessels suspected of trafficking in weapons of mass destruction. This is even before we consider the protection of exports along our sea lanes of communication.

Further, when one considers ships out of service for maintenance, the numbers of destroyers, frigates and patrol boats actually deployable for operations and training in 2003 comes back from 29 in service or under construction overall to just 18.

The table below sets out the numbers and classes of vessels in these categories actually in service or under construction over the next decade. These figures assume a modest level of maintenance that could be reduced by operational requirements, and that the decision making and construction plans will be implemented on time (one for ever lives in hope).

Ship class	2003	2006	2009	2012
<b>AAW destroyers</b>	-	-	1	2
<b>FFG</b>	6	4	3	2
<b>ANZAC frigates</b>	8	8	8	8
<b>Fremantles</b>	15	10	5	-
<b>New patrol boats</b>	-	3	9	12
<b>Less refits/constr</b>	11	16	9	9
<b>Total operational</b>	<b>18</b>	<b>9</b>	<b>17</b>	<b>15</b>

The figures indicate that in 2006, the navy will be in as disastrous a state in terms of availability as it was in recent years as ships were paid off and construction programs delayed. If all goes to plan, major surface combatant numbers will peak at 12 in 2009, with the last two FFG facing retirement within five years at the most. Very likely, four of these 12 will be in refit or under construction.

By that time, the new patrol boat program will be approaching completion but any remaining Fremantles will be hard pressed to maintain availability. Even so, 2009 will see the RAN’s effective surface combat fleet (inclusive of patrol boats) at a peak of 21. This is compared with the 30 envisaged in the 1991 Force Structure Review when the ADF’s operational commitments were substantially less than they are today. Even so, the ensuing five years will see a further decline unless radical new building programs are set in train. Given that destroyers, frigates and patrol boats are always among the hardest worked on operations, this seems to be a strange way to run a railroad.

## That sinking feeling

In a masterful piece of understatement, The Australian Submarine Corporation's annual report published in October said, 'Regrettably, ASC's relationship with its former major shareholder, who held technical management rights, has deteriorated'.

The dispute between the Swedish company, Kockums (now owned by the German firm HDW) and Australia over the ASC, now before arbitration, has a large number of longstanding and more recent causes. These include:

- few Western designs for ocean-going, long-range, diesel-electric submarines (due to US and British concentration on nuclear propulsion and German, Swedish, French and Dutch preference for shorter-range, coastal protection type boats);
- the consequent adaptation of a Swedish design;
- the resultant technological orphan status of the Collins Class (a problem that has badly affected the ADF in many other areas as well);
- the consequent numerous, complex and expensive technical problems experienced by the boats early on;
- Kockums possibly extracting too much value from its ASC holding too early, exacerbating project and cost difficulties;
- problems with the welding of the bow section of the first-of-class boat, HMAS *Collins* (which was constructed in Sweden);
- ideology and bureaucratic reputation protection, rather than the needs of Australian defence strategy, driving persistence with the full original program when the costs skyrocketed and circumstances changed;
- electoral 'pork-barrelling' that saw the ASC located in South Australia and then protected from pressure to restructure, or move or close part of its activities;
- the government's desire to align development of the submarine's systems with its overall objective of increasing interoperability with US for strategic purposes;
- consequent security problems because US entities were reluctant to share technological secrets with non-US commercial competitors, and the US government was as reluctant to share official secrets outside US-UK-Australia-Canada arrangements;
- the government's subsequent decision to purchase Kockums remaining half share in the ASC in November 2000; and
- doubts over the ownership of the project's intellectual property now Kockums is no longer directly involved with ASC.

Now all six Collins-class submarines are in service, the ASC is probably capable of fulfilling its 25-year contract for their refits and through-life support. Its ability to provide the full range of design support will be handicapped without Kockums involvement, although ASC has entered into a capability partnership agreement with a US submarine builder, The Electric Boat Company (the name is an historical carry-over and it has been a builder of only

nuclear powered boats for many years). Kockums is understood to want to remain involved for commercial, safety and product liability reasons.

Hopefully the dispute with Kockums can be resolved. There are clear operational and operational safety advantages in Kockums remaining involved, even if only as some form of technical adviser. Kockums, on the other hand, is not without blame for the situation.

The government will face difficulty in selling all or part of its equity in the ASC until the dispute is resolved. This affects the commercial future of the corporation. It also hampers and delays the ongoing rationalisation of naval shipbuilding in Australia that is needed to maximise flexibility and minimise overall costs for several programs for at least decades to come.

There are, however, clear lessons for the future for other major ADF capability development programs.

## Insufficient hard stuff

In 1930s Malaya, the RAF built its airfields in locations based solely on their suitability for flying and ignored military advice as to their defensibility from ground (and air) attack. This contributed greatly to the swift defeat of the Commonwealth forces in Malaya when the Japanese struck.

This lesson was thoroughly absorbed by the ADF leading to its operational requirement that airbases in northern Australia be strategically located (in all respects) and tactically configured. This latter requirement entails, among other things, dispersal, hangar protection, runway and taxiway redundancy, underground command, control, communications and refuelling facilities, and locating residential accommodation outside battle damage range of military facilities.

To the minds of many in Australia's defence bureaucracy, these tactical requirements were just viewed as an expense rather than an investment and, if the bases were attacked, an occupational health and safety responsibility towards the ADF personnel and their families stationed on them.

Despite the hype that the DOA policy of the 1980s and early 1990s made about the need to 'defend the north', narrow bureaucratic perspectives and 'penny pinching' vetoed the thorough tactical configuration of new airbase construction. It also adversely affected the choice of some locations. ADF advice to locate married quarters and living accommodation away from operational areas was disparaged as 'just a desire for peace and quiet' (not an unreasonable aspect even if true) and too often rejected because it cost more.

In yet another of the now regular operational 'kickbacks' from the flawed DOA policy, it has become public knowledge, through a Boeing tender document, that some of the airbases constructed across northern Australia do not have enough runway length, and/or pavement strength, to accommodate the new generation of tanker aircraft being procured for the RAAF.

The concept for the bases was always quite sound, it was the penny pinching over their construction and the ignoring of commonsense ADF advice over their locations and configuration that has spawned this problem.

It will now cost much more money to extend and strengthen runways and related facilities than it would have cost to construct them to the operational standards required in the first place. This debacle would not have occurred if the needs of our defence strategy drove the resourcing allocated rather than the other way around. It would also not have occurred if senior ADF experts had been listened to instead of ignored by the Defence bureaucracy.

## Struggling for purchase

There continues to be little real defence debate in Australia, especially outside those intimately involved with national security issues. Excluding official participants, those who participate in what passes for a national defence debate still mainly comprise small groups of academics, activists and retired military personnel. Their deliberations are virtually ignored by the political, bureaucratic and media leaderships who set the agenda for national policies. If this judgement seems harsh, consider the following examples drawn from recent public discussions.

- Our leading national newspaper, *The Australian*, managed to editorialise approvingly on the need for a new Iraqi army of some half a million troops but was not able to draw a parallel with the dismal state of the Australian Army, a mere 25,000 regulars.
- The Prime Minister, Mr Howard, recently claimed on national television that Australia did not have the capability to send more troops to Iraq. No Opposition politician commented on this public admission of a disgraceful failure of public policy. Of course, the Opposition is just as culpable and appears currently bereft of anything resembling a coherent national security policy.

But neither did the national political media, much of it bitterly hostile to the prime minister, take up the issue, even in the context of a debate about how to dispose of a significant budget surplus. Comment on that debate was reserved for every community interest group except defence.

All too often, journalists refer to official documents, such as the latest White Paper, but merely regurgitate details without any sort of contextual analysis in a rapidly changing strategic environment. Similarly, when interviewing supposed experts they allow some of the non-government (sort of) defence gurus in academia to just simply defend their outdated ideas, all too often in a crudely ad hominem style.

Somewhat earlier, there was some discussion of an alleged need to mothball some existing ADF capabilities so as to pay for upgrades of some of the more noticeably

obsolete capabilities in the force. But the discussion, based, as it was on what appeared to be leaks from interest groups within the bureaucracy, failed to analyse the medium to long-term effects of such mothballing. The notion that Australia can sustain a capable defence force in the long run by mothballing equipment is laughable. As usual, the proponents of this fallacy well know that the cost saving comes by cutting personnel numbers but ignore the reality that trained personnel cannot be whistled up in an emergency even if hardware can be put back into service.

The notion, often peddled by politicians and bureaucrats, that there is some sort of justified trade-off between machines and people in a defence force is fundamentally flawed. The machines—ships, aircraft, vehicles and weapons—are nothing more than the tools of trade for the people. People, highly trained in accordance with up-to-date doctrine, create combat power. Whether that power can be used in the service of a given challenge, be it peacekeeping or high intensity combat, depends upon quality people supported by the proper equipment. Australia's real policy too often depends upon a few flash weapons systems, and relatively small numbers of obsolete weapons, all operated by too few people.

With exceptions that can be counted on the fingers of one hand, Australia's media lacks both interest and ability on national security issues. As one of Australia's most respected journalists, Frank Devine, put it in the November issue of *Quadrant*: 'The present system of information being trickled out to journalists by politicians and officials as a favour, in return, over time, for reciprocal favours corrupts both participants and obfuscates the realities of government policy and administration'.

The trade-off notion is a product of fundamentally flawed thinking that insists that defence capability is a product of the funding authorised rather than strategic need. This has led Australia to the dotty idea that we can defend Australia's interests with token and low cost contributions to large coalition operations. These might win ephemeral political points but nothing more.

Hopefully, the prime minister's statement on a lack of capability was an attempt to persuade his Cabinet colleagues that Australia is welshing on its obligations and its allies. After all, too many members of Cabinet (and their Opposition counterparts) are manifestly uninterested in national security. And the less said about most of their backbench colleagues, the better.

Defence policy, especially in this new and challenging strategic era, should be about creating flexible military options. Recent DCR announcements give cause for hope but we are not through the woods yet. Too many actual and would-be defence policy makers seem wedded to dogmatically creating a force structure suitable for this—or maybe last—year's challenges but without the options that would allow us to confidently deal with those of the future. ♦