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ADA celebrates 30th anniversary

In June 2005 the Australia Defence Association celebrated its 30th anniversary. The ADA was founded in Perth, in June 1975, with branches following in Victoria and Queensland the following year and the other states progressively by 1981. The three founders of the ADA were Air Marshal Sir Valston Hancock, KBE, CB, DFC, a retired Chief of the Air Staff; Jim Harding, a leading Perth trade unionist; and Peter Firkins, the director of the Perth Chamber of Commerce.

These three World War II veterans from otherwise disparate backgrounds and political inclinations judged that the fall of Saigon to the North Vietnamese in May 1975 was a strategic watershed for Australia. The invasion of South Vietnam in contravention of the 1973 Paris Peace Agreements, and its subsequent collapse, followed a string of events and influences over the previous decade that fundamentally changed Australia's strategic situation, both regionally and globally — and were shaping many changes in Australia itself. Major examples included the promulgation of Nixon's 1969 Guam Doctrine concerning the degree of defence self-reliance expected of US allies, the strategic withdrawal of British forces deployed east of Suez throughout the late 1960s and very early 1970s, the withdrawal of Australian combat forces from South Vietnam in 1971, the resurgence of Soviet strategic penetration in the Indian and Pacific Oceans, and the debilitating political ructions in the United States following the Watergate and other scandals.

Just as importantly as their international strategic judgements, the three founders of the ADA realised that effective and informed public debate within Australia on defence and strategic issues had been too easily hijacked by the highly polarised and often emotive political debates spurned by Australia's Vietnam commitment. They had the vision to see that an independent and non-partisan 'ginger group' was required to help in stimulating, nurturing and monitoring informed public debate on national security issues. They also had the vision to realise that such an organisation needed to be broadly community-based rather than just rely on participation by those Australians with defence force service at some stage in their lives.

In their founding of the ADA, Hancock, Harding and Firkins recognised that consideration of national security matters continually risks becoming bogged down in party-

political rivalries, ideological and academic constructs, bureaucratic processes, public ignorance and the 'short-termism' engendered by Australia's three-year federal electoral cycle and its attendant party-political cultures. They were also concerned that public interest in national security issues was often marred by widespread ignorance and complacency, and tended to cycle between apathy on the one hand and irrational fears and ideological fixations on the other. What they foresaw as part of the solution was that an informed and non-partisan group could assist national debate on such issues by helping to educate the public.

Australia is quite different today to what it was in 1975. One thing that has not changed in the 'land of the long weekend' is that the party-political and bureaucratic processes alone cannot be trusted to hold governments properly responsible for their fundamental responsibility to manage, sustain and ensure the nation's defence. The Australia Defence Association would prefer that the need for contributions by independent, non-partisan, public interest groups was no longer required in this regard, but it would appear we are a long way yet from achieving such a situation. ♦

2005/06 defence budget

A comprehensive article on the 2005/06 defence budget and the underlying financial state of Defence spending is at pages 11-15. In terms of such spending Budget night each year perpetuates somewhat of a confidence trick on the Australian public. The Budget and its surrounding hype pretends sufficient investment is being made in Australia's defence for the future, as opposed to just the minimum to cope with the present, and this year was no different.

Major defence systems (ships, aircraft, armoured vehicles, etc) are in service for 25-45 year periods, and sometimes longer, and defence planning and capability development therefore needs to follow a 15-25 year replacement or modernisation cycle. Because we do not provide or sustain the level of phased investment required we are continually extending equipment in service, and postponing or scaling back its replacement or modernisation.

Each year the defence budget comprises three main components: personnel (around 40 per cent), operating costs (around 25-35 per cent) and capital investment in new

equipment and facilities (around 20-30 per cent). Unless the size of the defence force is increased or decreased the personnel percentage changes little. As the ADF is about as small as it possibly could be (it is down near 30 per cent from 1990) the personnel costs overall are relatively unchanged from last year (except for inflationary pressures). The operating costs of training or actually using the defence force (steaming time for ships, ammunition, fuel, rations, track miles for armoured vehicles, flying hours for aircraft, exercises, etc) can be budgeted for planned activities and these are usually the first cuts made when funding is periodically slashed.

As crises, wars and disaster relief missions usually cannot be forecast these are generally (but not always) paid for by subsequent supplementation of the budget rather than taken from the monies allocated to defence for other purposes. In this budget the supplementation is \$454.4 million (about 2.6 per cent of total defence funding for 2005/06). Well over half of the nominal increase in defence spending this year (\$879.7 million) is really just the extra money required to pay for existing overseas operations rather than investment to modernise the defence force for the future.

In real terms, money needed to fight wars and provide disaster relief is technically defence (or foreign aid) current spending. It is not defence investment for modernisation and the future. The figures for overseas operations thrown around on budget night with much publicity are simply irrelevant to the sums needed to rebuild the defence force for the future after decades of comparative neglect in the past.

Excluding decisions to increase the size of the ADF, the real measure of a government's long-term planning and sustained commitment to its defence responsibilities is the capital expenditure component for this year alone. This is the figure that is really important because this is the funding tipped into the first year of the rolling ten-year Defence Capability Plan (DCP).

In terms of defence, the key figures to note in the 2005 budget are:

- the total figure allocated to defence is \$17.495 billion;
- this is a real (not nominal) increase on the previous budget of about 3 per cent (with most of the increase due to increased operational and personnel costs rather than increased capital investment);
- personnel costs are about 40 per cent of the total (about the same as last year) and operational costs comprise around 34 per cent (35.6 per cent last year);
- the amount of defence capital investment is \$4.595 billion or about 26 per cent of the total;
- the defence allocation is about 1.9 per cent of GDP and approximately 8.53 per cent of the total federal budget (around the same as last year); and
- the percentage of the federal budget devoted to social security, health and education is about 68.3 per cent (68.58 per cent last year) and for the first time ever, federal spending on education (primarily a state responsibility) exceeded that on defence (wholly a federal one).

Defence spending overall (but not capital investment) has been increased by around three per cent in real terms each year since 2000. This sounds encouraging at first but is still quite inadequate to cancel out the static or declining spending of the 1972-2000 period, which saw the ADF's equipment block obsolescence problem grow ever-increasingly worse. This period also saw the defence force decrease in size by around half (even allowing for the end of National Service in late 1972). Personnel numbers were cut in order to redirect the limited funding provided to capital investment, rather than increase the defence budget overall to the levels promised in various Defence White Papers over the same period.

The three per cent real increases each year are meant to extend out to 2010-11. To permit effective forward planning they need to be continued for much longer and a decision on the decade out to 2020 was meant to be announced in this budget but, disappointingly, was not. It will require significant investment for a long time to cancel out three decades of neglect under governments of both political persuasions.

Defence spending simply needs a much more substantial boost to catch up to where it should be. For example, if you compare the amounts of investment promised in various defence White Papers over the last 20 years to the amounts subsequently provided, the deficit is at least \$126 billion (or about 6-7 years worth of defence budgets using today's dollars). Whether the money can or would be spent wisely are separate issues, and are explored in the article by Dr Mark Thomson in this issue of *Defender*. ♦

Ounce of prevention instead of a pound of cure

Australians with a good knowledge of their country's history were no doubt highly amused and perhaps exasperated by the recent political brawl between the Coalition and Labor as to who were, or are, the biggest appeasers of dictators from Hitler to Hussein. For want of space we shall exclude discussion of more recent examples, although Labor MP Dick Klugman's excellent 1976 speech to the House on the hypocrisy of those lauding Mao Zedong on his death is well worth reading in this regard. Surely the most annoying thing about the partisan brawling is that the protagonists largely ignore, gloss over, or are indeed ignorant of the uncomfortable fact that appeasers were quite thick on the ground on both sides of politics throughout the 1930s, for a variety of similar and different reasons.

The more significant issue underlying the political brawl, however, is that the real and still applicable lessons from that period appear to be unknown by most of our political class. In the Inter-war period, parsimonious governments of both political persuasions chronically under-invested in defence, although at least the Scullin Labor Government had the excuse of the Great Depression. They preferred instead to listen to the types of economic and ideological siren song that told them what they wanted to hear, rather than what their principal strategic advisers were warning them

would happen. Apart from all the moral and strategic issues involved, there is the practical result that by 1942 we had to spend more each week on defence than had been spent annually in even the late 1930s.

Too many good men were consequently killed buying us strategic time and space in and over Malaya, Java, Ambon, Rabaul and Timor and their surrounding seas, or were subsequently murdered on the Burma Railway and in Changi, Borneo, Ambon, Hainan and Japan. This enduring tragedy for our society occurred because the defence force had to be committed to extensively dispersed operations grossly understrength, and with standards of training, and levels of weaponry, ships, aircraft, communications, and operational and tactical mobility, far below what was needed.

A feeling more of fury than mere annoyance about this historical ignorance among our politicians would be felt by many of those who have ever bothered to read the Official War Histories. The disasters that befell the defence force in the year after Japan entered the war, including tens of thousands of Australian dead and prisoners of war, could have been prevented or at least much alleviated. Many of these disasters, including the destruction of the sacrificial brigade scattered across the islands of the famed 'sea-air gap', would not have occurred if inter-war governments had followed the advice of their Australian military strategic advisers from 1920 onwards, rather than accept empty British assurances because they seemed financially cheaper and it was politically convenient to do so. ♦

Rock of ages stand by me

Then there is the related matter of awarding due credit for the key strategic decisions in late 1941 and early 1942 that rescued Australia from the predicament our short-sighted, and often appeasing, politicians had landed us in. Again the recent political squabble over identifying appeasers demonstrated widespread ignorance of the historical facts. Tragically, it also showed a lack of appreciation for the enduring strategic, and command and control, lessons of the period.

It is simply wrong for any one man to be trumpeted as the saviour of the nation for the strategic decisions taken in 1941-42. In a flurry of opinion articles by Labor stalwarts and partisan political biographers or historians, too many wrongly claimed too much credit for then Prime Minister John Curtin, through claims that he alone was responsible for the decision to bring the AIF divisions home from the Middle East.

Those with a more comprehensive or objective knowledge of the times know that the real hero of that hour, and several subsequent ones, was the Chief of the General Staff (CGS) from September 1940 to July 1942, Lieutenant General Sir Vernon Sturdee. At the time leading up to, including and after the fateful decision to bring the AIF home for the direct defence of Australia on, incidentally, the far side of the so-called 'sea-air gap', the senior strategic advisers to the Australian Government were the three Service Chiefs (there being no CDF in that era). The Chiefs of the RAN and RAAF

were then British officers on secondment. In matters of major strategic advice, especially where Australian decisions might be at variance with British strategic preferences, the Chiefs of the other two Services advised the CGS and their Ministers that they would stand by any professional decision Sturdee made and back him to the hilt.

In February and March 1942 Singapore and then Java fell, pretty much as senior Army and RAAF officers had regularly forecast over the previous 20 years, often to the embarrassed annoyance of both conservative and Labor governments. The Australian Army's three surviving battleworthy divisions were still deployed in the Middle East. It was Sturdee, who led and supervised preparation of the strategic appreciations that convinced the government of the necessity of bringing the AIF home. More importantly, it was Sturdee who advised the War Cabinet that in his professional opinion as their senior strategic adviser, the request by Churchill to divert the convoys carrying the 6th and 7th Divisions to Burma and Java needed to be refused unequivocally. It was also Sturdee, an officer of impeccable professionalism, moral courage and integrity who advised the War Cabinet that if they did not accept his advice he would have to resign as CGS.

Dr W.E.H. Stanner, research adviser to Ministers of the Army, Percy Spender (conservative) and Frank Forde (Labor) during 1940-42, and a member of the Prime Minister's Committee on National Morale 1942-44, has noted that Sturdee was 'one man who kept his head when the government lost its head after the Japanese attack'. Professor David Horner, the Professor of ADF history at the Australian National University and the author of numerous books on Australian military history and strategy, notes in his chapter on Sturdee, in *The Commanders: Australian Military Leadership in the Twentieth Century*, that Sturdee was '... the rock on which the Army, and indeed the government rested during the weeks of panic in early 1942'.

The enduring lesson of the unedifying and historically ignorant political squabble over who was, and was not, an appeaser is that if more of our governing class actually knew their history, most of the recurrent problems Australia endures in the provision and management of its defence might largely disappear. ♦

States of play

Recent intense rivalry between Victoria and South Australia over the contract to build new destroyers for the ADF was refreshing in the sense that it is good to see State Governments take such a degree of interest in defence issues.

In strategic terms where the destroyers are constructed matters little. In national terms the key issue is that the ADF reacquires this type of essential and strategically flexible capability. The next most important issue is that the ships are soundly built, adequately equipped, are commissioned on schedule and delivered on budget (albeit, as the next item notes, a decade and a half late).

In a more general sense it would be unhealthy if too much defence manufacturing and equipment maintenance capability was concentrated in any one part or polity of the country. This is not so much because such a concentration is vulnerable to strategic strike, but because it increases the risk that subsequent defence procurement decisions could be unduly influenced by the 'pork-barrelling' factor. The last thing the country and the ADF needs are defence procurement decisions being taken to bolster temporary political advantage, even if dressed up as 'helping mollify regional economic downturns'. Any increases in the ability of State Governments to improperly distort the Commonwealth's defence responsibilities through special pleading, or even political blackmail, would be most unhealthy. ♦

Hide and hypocrisy

The last issue of *Defender* included a detailed article discussing why the ADF needs re-equipping with destroyers. The article has been generally well received although criticism of the destroyer decision continues, especially sniping from the more extreme proponents of the well-funded airpower-can-always-solve-all-your-strategic-problems lobby.

Two points bears reiteration from the *Defender* article. First, for a continent-sized country surrounded by vast oceans with varying sea-keeping challenges, these ships will be capable of, and required for, much more than area air defence outside the range or availability of land-based friendly aircraft. Second, the last Australian destroyer with such general and specialist capabilities paid off in 2001. The first of the three new ones will not enter operational service until 2013-14 (even if the schedule is kept). This 13-year, at least, capability gap was not the product of careful planning to jump a generation in technology. It was also not the result of sober assessments of balancing strategic risk as was shown by the 1999 East Timor crisis, where the deterrent and actual capabilities required had to be largely provided by US and British destroyers.

This capability gap was instead more the result of short-sighted strategic planning and insufficient investment in defence, by those governing Australia in the 1980s and early 1990s, and those responsible for providing their strategic advice. The first of the new destroyers should have entered service as or soon after the last of the Charles F. Adams Class vessels were retired. It is therefore hypocritical, to say the least, that some of the biggest critics of the new destroyers are people responsible for strategic planning during that period of policy failure and comparative neglect. ♦

Tick tac tow

Whether Australia needs to sign the ASEAN Treaty of Amity and Co-operation (TAC), or should have to do so, in order to gain admittance to the East Asia Summit process are separate strategic and moral questions. The long and short of the matter is that countries are different to individuals. The former, in order to achieve greater good often have to

agree to, or do, things that are wrong in principle and even immoral, but which do little harm in practice.

In regard to the TAC, Australia has been subjected to a degree of sheer rudeness and deliberate misunderstanding from some of our neighbours concerning a purported need to accede to the treaty. Australians whose memories stretch further and broader than many of our parliamentarians, newspaper columnists and academic commentators will therefore no doubt be savouring the considerable irony of Vietnamese Prime Minister Phan Van Khai's recent visit to Australia.

Malaysia, a country thrice defended by Australian arms during the last two generations, including against aggression from its neighbours, demands we sign the TAC to somehow show we have no aggressive intentions towards regional countries. Vietnam, the country with which we fought a bitter decade-long war in the same period does not see the issue as important or that we harbour any aggressive designs in the region. ♦

Flagging knowledge

Recent controversy over who should be invited to officiate, or even allowed to be present, when schools commission new flagpoles further demonstrates a dearth of knowledge and perhaps much else among some of our politicians.

In heraldic and protocol terms the Navy has an ensign and the Air Force its own flag but Army's only flag is the national one. This tradition, harking back to the creation of the New Model Army during the English Civil War, is because the Army and the people are one in symbolic terms. In practical terms this also represents the subordination of the Army to civil political control, the necessary apolitical stance of the military, the fact that our defence force defends all Australians equally, and last but not least, the necessarily apolitical nature of the national flag.

Graham Edwards, MP, is now the only combat veteran in federal parliament. Moreover, he is a man who was severely wounded and is still permanently incapacitated by his service as a soldier fighting in the defence of his countrymen. When he is apparently excluded for reasons of perceived political advantage from attending the commissioning of a school flagpole, in the electorate he represents in parliament, it is time for all of us to pause from the political melee and take stock.

We need to ponder the apolitical structures, processes and conventions that bind us together as a nation separate from the party-political shenanigans of any one era. As the ADA has noted before, in relation to the ceremonies held to farewell and welcome home ADF contingents from overseas service, there is too much politicisation of truly national occasions and symbols through the person officiating not being a suitably apolitical figure.

Even in the case of commissioning new school flagpoles, perhaps a local war veteran should be invited to officiate, with political representatives of the Government and Opposition merely invited to attend. Not all occasions need to be dragged into the political mill, especially when they could instead involve educating the nation's children in those matters that are, and should be, simply above partisan politics. ♦