Australia's vulnerabilities

Michael O'Connor

Australians generally lack a genuine strategic view of national security, relying instead upon short-term responses to events over which they have no control. Thus, most politicians, commentators and even professionals currently discuss national security policy in terms of the response to terrorism. The Australian Defence Force (ADF) is reorganised and equipment purchased for the 'war' on terrorism. Even State premiers lay claim to portions of the defence force for their defence against terrorism. On the other hand, the true strategists trying to take a long term view of national security needs are widely criticised for their allegedly extravagant shopping list of new and expensive equipment. Australia does not need tanks or fighter aircraft or large amphibious ships, some professed experts claim.

The perennial challenge to the real strategic thinker is to prepare prudently for the next two, even three decades, that being the service life not only of modern military equipment but of the officers and other ranks who will use it. That preparation must take account of the challenges that might reasonably occur over that period. It should produce a defence force that is flexible and adaptable in its equipment, doctrine and training so it can meet at short notice those inevitably unpredicted situations to which the government of the day decides to respond militarily. To the planner (or series of planners) who have prepared for a single theoretical challenge to reply that he could not respond to the real one, governments are prone to wonder aloud why all the money has been wasted. On the other hand, the prudent planner who takes a more speculative view is usually required to prove his manifestly unprovable speculation.

The essential nature of strategic planning, at least in the national security field, is to consider possibilities. Even on a medium-term view, the possibility of armed conflict in Asia between Japan and China or China and Taiwan cannot be dismissed as fantasy. In such circumstances, should Australia become involved militarily? Our dependence upon the United States suggests that a commitment of Australian forces, probably at token levels, would be required to sustain an American commitment to regional and local security. More seriously, such conflicts between vitally important Australian trading partners would likely have a maritime dimension that impacted directly upon Australia's national interest. In any event, the Australian government of the day, next year, in ten years time, even 20 years time, would make the decision to exercise or refuse the military option. If the option did not exist, of course, it could not be exercised to the likely pauperisation of Australia's national interests.

Because unpredicted events—such as the emergence of Islamist terrorism—are imposed upon us with little warning (or warnings that are ignored except in hindsight), Australians need to establish some basic principles to answer the question of why we ought to have any sort of defence capability. Arguing that every country has a defence or military capability is not a sufficient answer. A national defence capability is expensive and the community for whose protection that capability is assumed to exist—and for which it pays—is entitled to a better answer. Those who would reduce or eliminate a national defence capability tend to pose the question in a different way by asking who or what is identified as a threat to national security, often proceeding to answer their question by asserting that none currently exists. Given Australia's history, this too is insufficient. Threat warnings are not only historically very short—frequently measured in weeks—but are often ignored for reasons which range from complacency to wishful thinking.

An alternative and more rational approach is to work first from an assumption of hostile intent on the part of an adversary who might or might not be identifiable or even whose intent is yet to be formulated. History surely informs us that a desire to do harm to others is not limited to individuals but to communities and nations. It is no more necessary to specifically identify the source of strategic threat than it is to insure against a car accident involving a specific other driver.

Second, an Australian defence capability should be designed to secure identified national interests and their vulnerabilities, those elements of national life which are crucial to survival or to the maintenance of national and international standards that Australia as a community regards as important.

Coupled with these factors is the reality that a peace-seeking nation such as Australia enjoys few real choices about its decisions to commit to armed conflict. When the distinguished, if somewhat stodgy, American general Omar Bradley wrote of the Korean War that it was 'the wrong war, in the wrong place, at the wrong time and against the wrong enemy', he was indulging in a dream. Few if any wars can be said to be the right war. Equally, few if any, occur in the right place and at the right time. Who, for example, would have chosen to fight in the inhospitable terrain of Papua New Guinea with only small, ill-equipped and under-trained forces as Australia had to in 1942? Nor does a country like Australia enjoy the luxury of choosing its adversary; invariably the adversary, be it a nation state or non-state actor, chooses us as well as the time and place.

Australia has always perceived itself to be a small power and has sought to involve a major power in support of its national security. In fact, Australia is a significant medium power which acts as a small power. Moreover, as will be discussed below, it is a maritime power with a continental mind-set. These factors combine politically to limit Australia's military capabilities, its ability to shape events and deter conflict, and its influence over both adversaries and allies.

There is nothing inherently wrong with a security policy based upon alliances as a defence against a large-scale war. In an age of technological capabilities which ensure that a large-scale war would be devastating, there can surely be little argument that a contribution to sound alliances and strategies which deter war is a relatively inexpensive but effective strategy for a comparatively small nation. A number of countries which also follow the deterrent concept have refused the alliance option. At the same time they have also refused the option of disarmament and have, in fact, made considerable sacrifices to ensure that their defence capability is substantial with modern well-equipped forces often maintained at a high degree of readiness. Traditionally neutral countries such as Sweden argue that: 'The prime purpose of defence is to keep the country out of war. Further, the defence has to be so strong that the cost to defeat Sweden is out of proportion to the strategic advantages which an aggressor might obtain'. Australia theoretically adopts the concept of deterrence with the proviso that it bases its deterrence on a strong alignment with the West, especially through the American alliance.

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Commencing in the mid-1980s, the Australian government embarked upon what was arguably the most intense—and seemingly interminable—review of defence policy in the nation's history. Ultimately, by the mid-1990s, it had produced a defence capability that bore little relationship to the nation's strategic needs. Essentially isolationist, it distanced Australia from the crucial American alliance although rhetorically it paid lip service to its importance. More significantly, it ignored the rapid changes to the international strategic environment that was the product of the communications revolution. Even within its own criteria, the new policy was both illogical and incoherent. It began by identifying two key geographic regions: the region of primary strategic interest and the area of direct military interest. The former was defined as:

> The region of primary strategic interest (RPSI) to Australia consists of Australia and its territories, maritime zone and near lines of communication; Australia's adjacent ocean areas, seas and straits; South-East Asia including the Indo-China states; Papua New Guinea; the South-West Pacific and the eastern Indian Ocean. The region's strategic significance to Australia derives primarily from the fact that it is the area in which political and military developments could most directly affect Australia's strategic interests.

By contrast, the area of direct military interest was defined as:

> The area of direct military interest (ADMI) to Australia includes Australia, its territories and proximate ocean areas, Indonesia, Papua New Guinea, New Zealand and other nearby countries of the South-West Pacific. The ADF must have the range, endurance, mobility, combat power and independent logistic support to defeat any challenge to Australian sovereignty and respond effectively to attacks within the ADMI.

While the definitions are clear enough, they convey the view that Australia would deny itself a military capability to contribute to security in its declared region of primary strategic interest.

Under diplomatic pressure from the Americans who were understandably annoyed by the policy's seeming indifference to the ANZUS alliance, the Australian government restated a commitment to alliance obligations but did little, if anything, to turn the commitment into capability. Significantly, too, even the most superficial analysis led to the conclusion that Indonesia was regarded as Australia's only likely adversary, either alone or in combination with others. That analysis made few friends in Jakarta while other regional allies such as Malaysia and Singapore wondered whether Australia had, in effect, cancelled their mutual security arrangements under the Five-Power Defence Agreement. Australia's actual military capabilities were designed around naval and air forces designed to interdict any hostile approach to the Australian continent while the ground forces were reduced to an assumed ability to mop up any survivors.

The pressure of events from Iraq's 1990 invasion of Kuwait forced the government of the day to make a number of military commitments whose genesis lay less in the events themselves than in a desire to pay a sufficient premium on the American alliance and, in the case of the Labor government, to somewhat reluctant attempts to support United Nations peacekeeping operations. All these commitments were very small and limited in time simply because Australia lacked the military capability to do anything else. Despite the efforts of the media—whose knowledge of history is always abysmal—to boost these commitments into some sort of major national effort, they had little value except in the public relations sense.

Typically, public discourse attempts to define short, medium and long-term defence policy in the context of military threat but the concept of threat is itself misleading. Because it is misleading, any attempt to base a security policy on the existence or absence of a threat will be successful only by accident. In the classical sense a threat comprises two elements, capability and intention. A potential enemy may have the capability to attack but if he lacks the intention, his is no more than a potential threat. Even more remotely, the lack of capability cannot by any stretch of the imagination convert an intention to attack into a serious threat. Inevitably, given modern intelligence methods, the identification of a threat capability is a relatively simple task. Not only can existing forces be identified but the ability of a potential enemy to develop a hostile capability over a given period can be assessed with some degree of confidence. Of course, as we have seen in the context of the invasion of Iraq in 2003, critics as well as advocates are inclined to interpret threats according to their own prejudices.

There is a further dimension to this inadequacy of the concept of threat and the existence or otherwise of an intention to use a given capability. The very uncertainty engendered by the difficulty of determining intentions guarantees that debates on threats will be inconclusive. For example, there have been individuals and groups both in government and outside who have argued that Indonesia is a threat to Australia. Indonesia certainly has a capability to attack Australian territory although not in any militarily devastating way or without attracting damaging military and diplomatic retaliation. On the other hand, there is not the slightest evidence of any value that Indonesia sees any advantage in using military force against Australia or has any intention of it. To the contrary, many Indonesian strategists argue that Indonesia's security depends upon a friendly Australia and they worry about what they see as manifestations of Australian insensitivity or even hostility. They rarely lack examples. But this debate about Indonesia will continue indefinitely even though it cannot be conclusive until the concept of threat-based planning is abandoned.

The point is that the concept of threat has to be seen in the context of Australia's total interests, its commitment to maintaining certain standards of international behaviour and its desire and capacity to influence events.

What is worse is that when occasionally, as in the 1980s, the advocates of an Indonesian threat carry the day decisions are made on the size and shape of the defence force which, by concentrating on capabilities to operate on or in the immediate vicinity of Australian territory to the exclusion of all else, have the effect of consuming scarce resources and reducing the military options available to the government of the day for the extended period that is the life of the new hardware. It also ensures that the national capacity to give a positive direction to relations with Indonesia is reduced. To claim that considerations of threat can as easily lead to bad decisions or no decisions as to good ones is not at all unfair.

There is a lesson to be learned again from the World War II experience. In 1942 it was easy for the Curtin government to claim that Australia faced invasion. Historical research now shows that the option of invading Australia had actually been ruled out by Japanese planners who perhaps understood the difficulties better than did their Australian counterparts. On the other hand, it was prudent of the government to generate the belief in the community so that a realistic war effort could be justified. It might also be said in parenthesis that the Japanese strategy of keeping Australia guessing tied up substantial resources which might have been more gainfully used elsewhere. The large garrison in Western Australia which included our elite armoured division is one example. The analogy is not yet exhausted. There would be few to argue that Australia was not threatened in World War II, even if we were not threatened with invasion. It all depends on what is meant by the term 'threat'.

If in 1939 Australia had declared its neutrality in the conflict with the Axis powers, a reasonable case could have been made for the proposition that Australia faced no threat and therefore could have stayed out of the war with all the resultant economic benefits that would have accrued. The point is that the concept of threat has to be seen in the context of Australia's total interests, its commitment to maintaining certain standards of international behaviour and its desire and capacity to influence events. Threat is not a concept which can be described in some sort of military isolation. The classical 'enemy' inputs of capability and intention have to be related to our inputs, our national objectives and our strategies. These are precisely the inputs which are lacking in the public debate about defence in Australia.

In recent years with the emergence of a much more extensive range of security challenges, Australian governments and their advisers have been wrestling with the need for a more flexible national security policy without taking the logical, but perhaps more expensive step, of identifying those national interests which are crucial not merely to national survival but also to our perception of ourselves as a national community. Debate tends to be about short-term issues such as terrorism or people-smuggling with our small defence force reshaped rather than restructured. These challenges which are criminal in nature rather than a threat to national security tend to attract a defence force response because our law enforcement capabilities are also inadequate. (Perhaps cynically, one may also perceive that a centralising national government wants to use capabilities at its command to expand its role.) The most serious gap then in our national approach to security is the identification of our national interests. If these basic fundamentals can be identified, if there is agreement on what has to be defended if we are to defend what we call Australia, then there is a chance that a realistic strategic policy can be drafted, debated and adopted, free of the meaningless sloganeering of the past.

In a serious attempt to break away from the constraints of threat-based planning, some strategists introduced the concept of Australia's 'Area of Principal Defence Interest'. This geographic description of Australia's interests was defined as the Australian mainland, the offshore territories such as Cocos, Christmas and Norfolk Islands—and including Australia's rather grandiose claims in Antarctica—together with the 200 nautical mile Exclusive Economic Zone surrounding those territories and the continent. They argued that any attack on these areas would be an attack on Australia, and that defence planning ought to be based on deterring such attacks by a manifest capability to defeat them.

The weakness of this approach was that it placed a purely geographic dimension on national interests. For a nation which has—and always has had—an extensive intercourse with the rest of the world, as well as one with firm views on what constitutes proper international behaviour, there ought to be economic and political dimensions to our concept of interests. The first question is whether these dimensions can be described, after which our national capacity to defend them can be assessed.

The geographically defined approach presents a somewhat idealised view. Certainly a sovereign nation ought to aspire to the defence of its whole territory. This aspiration is of particular significance given that Australia has, over the years, accepted responsibility for the welfare of the inhabitants of such islands as Cocos and Christmas. That responsibility is not one to be lightly cast aside.

On the other hand, Australia's mainland territory is fundamentally secure from a conventional military attack. Moreover, by committing itself to the security of its region—essentially that region of primary strategic interest—Australia not only builds a strategic glacis supported by friends and allies but in the process should, assuming that strategy defines the defence force, develop a military capability that is much more adaptable to actual circumstances than one restricted to the protection of Australian territory. In the worst circumstance of a campaign against this country, a strategic commitment to that glacis also allows us to trade space for time. This is the essence of the fundamental strategic concept of defence in depth.

From an Australian perspective, the security of the shipping involved surely represents a basic national interest. Whether the ships fly an Australian or foreign flag, they carry cargoes of considerable economic value to this country.

Australians tend to see their country as small and relatively unimportant. This may have been true in the past; it is not so at the beginning of the 21st century. With a population of just on 20 million, Australia ranks 52nd of 236 countries and dependent territories, that is in the top quartile. More to the point, it ranks 16th in Gross Domestic Product and, after excluding eight countries or territories that make their money as international tax havens, 10th in per-capita GDP.

Australia is a significant trading nation ranking 26th in the world for exports and 18th for imports. These rankings are based upon value. When reckoned by tonnage, Australia ranks around 17th in the world and seventh in terms of tonnes-kilometres. In Australia's case, a large proportion of exports are of minerals and agricultural products with low added value while the distance from our principal markets accounts for the much higher ranking on the basis of tonnes-kilometres.

Australia's total exports in 2004 amounted to just over $A118 billion free-on-board while imports cost some $A143 billion using the same measure. Together these accounted for some 31 per cent of GDP. Trade in services including tourism and education added a further $A70 billion so that total trade amounted to just on 40 per cent of GDP. These figures do not account for the unquantified contribution to GDP made by trade-dependent industries. Clearly, Australia's prosperity as indicated by such measures as employment rates, per capita GDP and government revenues is heavily dependent upon overseas trade, the security of which represents an overwhelming strategic interest.

As an aside, too many historians claim that Australia's involvement in World War I was a classic example of intervention in 'other peoples' wars' but Australia's dependence upon trade in 1914, pre-eminently with Great Britain, was arguably greater than it is today.

Australia's overseas trade is carried overwhelmingly by sea. Exports account for more than 592 million tonnes of cargo annually with 62 million tonnes imported. Almost 73 per cent of the export tonnage is directed to East and North East Asia. A further 703,000 tonnes are carried by air but, in addition, air transport accounts for more than 20 million international passengers inward and outward bound.

In 2002-3, there were 8935 ship voyages into and out of Australia. This figure actually represents a reduction on previous years, due in part to the introduction of larger ships. More than 3000 ships are trading with Australia in any given year. Coastal shipping carries a further 106 million tonnes, mostly bulk cargos of significant value to industrial processes such as oil refining and distribution as well as steel making.

It is worth making the point, however, that these impressive raw figures pale into relative insignificance compared with those that apply in the Northern Hemisphere. On the other hand, they are vitally important to Australia and their importance will grow rather than diminish.

In strategic terms, this trade represents a national interest subject to a degree of vulnerability. What that degree of vulnerability amounts to is probably quite limited but it is not negligible, at least in political terms. During the Cold War, serious concerns were expressed by some of our trading partners, most notably Japan, at the vulnerability of their import trade in energy and minerals. Some 20 per cent of Japan's imports of around 600 million tonnes were sourced from Australia. Some Australian strategic thinkers, forgetting that Japan was defeated in 1945 more by the interdiction of its overseas supplies than any other means, suggested that this issue was unimportant but, as with the tango, it takes two to trade and Japan's vulnerability is ours as well.

From an Australian perspective, the security of the shipping involved surely represents a basic national interest. Whether the ships fly an Australian or foreign flag, they carry cargoes of considerable economic value to this country. If Australia, in conjunction with its allies, cannot guarantee their security in time of conflict or even against criminal attack such as piracy, that merchant traffic could well dry up very quickly.

A review of these basic security interests suggests that Australia cannot be indifferent to political and military developments within that region of primary strategic interest. Australian policy increasingly, and not before time, looks upon our relationships with the region as a source of strength rather than vulnerability. Thus a principal objective of Australian diplomacy is to strengthen those friendships so that regional countries will not be used as launching pads for attacks by outsiders on Australia. That this may involve significant Australian military commitments to the support of friends ought to be no matter for concern; indeed our diplomacy as well as our domestic political debate should assert Australia's willingness to support our friends in the region with military force if the situation warrants.

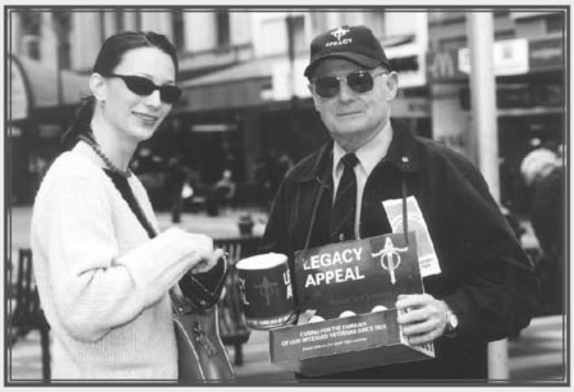
The concept of some kind of Australian fortress is one which appeals superficially, especially to those who see it as a means of avoiding conflict. But the whole concept of a fortress is to provide a temporary refuge. A fortress commander who refuses the opportunity to dominate his surroundings, or who voluntarily places his communications with the outside world at the mercy of his enemy, is doomed to defeat. Australians cannot afford to retire into their fortress before the immediate region has been lost.

All this is not to suggest that Australia can choose a strategic policy on purely classical lines with no consideration of practical domestic realities. On the contrary, Australia faces considerable limits on what it can do, limits imposed by size, population, wealth and political perceptions.

Australia's large land mass and relatively small population mean that we can never deploy large forces. All other things being equal, population density is a determining factor for any country's strategic capabilities and Australia's population density is very low with just 2.6 persons per square kilometre. Australia's forces will always be small; even at the height of maximum mobilisation in 1943 the Australian Army could not field more than six deployable divisions, other than garrison troops, from a population of seven million. Even then, much of the logistic and command structure was American, so that today, with 20 million people, an Army of ten divisions from a fully mobilised nation would be about the limit achievable in a conflict without allies.

A serious long-term policy would be to deter or fight effectively a limited war with or without allies. Of course, the current Iraq conflict could be regarded as such a war and Australia should be able to create some three complete divisions of combined regulars and reserves at varying states of readiness, together with an adequate navy and air force, for a sustained commitment without making impossible demands on the national economy. However a high wage structure practically guarantees that nearly half the defence vote is spent on wages and the pressure on military wages is growing in a highly competitive economy. In fact, Australia's defence capability is markedly less than is reasonable. Deployments to coalition operations have been substantially less than warranted by the political rhetoric and proportionately much smaller than those of our coalition partners.

In real terms, Australia's underlying defence strategy under the present Coalition government is to support American and British military commitments with token contingents and much flowery political rhetoric and mutual backslapping. This is designed to guarantee allied support in case of a significant threat to Australia. One can be too cynical about such a policy which, given the lack of support for national security from the broad political class, makes a good deal of sense from a domestic political perspective. What such a policy depends upon, however, is the continuation not only of that allied commitment but also the conflict limitation to one large (Iraq) and one small campaign (Afghanistan), coupled with an acceptance by those allies that Australia's contribution will be largely rhetorical. Already there are signs, however, that both the United States and Britain at the political as well as the professional level are becoming impatient with their Australian ally's lack of performance.



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Australia's political class is preoccupied with the immediate and the short term, the latter defined by the period to the next election. Issues of interest are almost exclusively domestic with health, education and welfare at the top of the list. Rarely do international affairs gain attention and, all too often, only as a vehicle for playing partisan politics. Even then, as recent events involving Indonesian Papua have shown, a reckless disregard by some fringe Australian activists for the longer term can not only create difficulties for Australia's relations with Indonesia but can risk the lives of perfectly innocent Papuans and other Indonesians.

No country, not even the United States, can provide an unlimited range of options for the use or threat of use of military force in support of national policy. The United States spends 4.2 per cent of GDP on defence, Britain 2.3 per cent. For its part, Australia spends around 1.8 percent and, while government is increasing its outlays by 3 per cent per annum, the costs of military hardware and personnel are increasing at 4 per cent or more. We are simply not even catching up. ◆

Michael O'Connor was executive director of the Australia Defence Association from May 1981 to April 2003 and is now enjoying a well-earned but perhaps nominal retirement. This article was also published in the June 2006 issue of Quadrant.