
Peter Leahy

Nothing has marked the change in Australia’s security environment so much in recent times as the image of the President of the Republic of Indonesia addressing a joint sitting of the Australian Parliament. In the 1960s Australia acquired aircraft with the range to bomb Jakarta. Now Australia has enhanced its defence and security cooperation with Indonesia through the Lombok Treaty. The two countries are also closely engaged over issues such as terrorism, drugs, disasters and asylum seekers. The change in Australia’s security environment is also measured by global, extensive and prolonged deployments of the Australian Defence Force (ADF) to places such as Afghanistan, Iraq, The Solomon Islands and East Timor.

However, even as Indonesia recedes as a “threat” there remains a continued focus on high intensity, high cost military equipment for the defence of Australia. Australia needs capabilities of this type to counter the least likely but most dangerous defence contingency—a conventional military attack against the mainland of Australia. These capabilities are also needed to make a credible contribution to coalition operations where Australia’s interests are threatened. However, Australia does not need the numbers of high intensity capabilities currently planned under the 2009 Defence White Paper. The money could be better spent ensuring that those elements of the ADF involved in the current fight and most likely future fights are properly resourced and structured. Australia’s overall security can be further enhanced by bolstering the country’s broader civilian, domestic and international diplomatic aid and security efforts. The Department of Foreign Affairs and Trade is chronically short of finances, the International Deployment Group of the Australian Federal Police has yet to achieve full operational capability, and the problem of refugee flows has yet to be resolved. AusAID are building capability through planned funding increases, but have yet to translate this to a credible deployable civil effort on the ground.

Less Defence and More Security

Australia’s defence strategy of “Defending Australia” is correct. Being an island nation is a powerful strategic advantage. With a balanced joint force of sea, land and air capabilities the nation can provide a very effective last line of defence. Clearly as the threat of high intensity warfare against or involving Australia is the most dangerous threat, there must be a capability to counter it. It is also prudent to be cautious and hedge against potentially adverse futures.

But defending Australia is now more about securing the country’s interests at home and abroad and less about defending the continent against a conventional military attack. This new role includes capacity building and security contributions in failed and failing states. By acting in these states Australia meets international and alliance obligations and keeps a broad range of threats away from its shores. Many of these so called fragile states are in the Pacific Region and there is an expectation that Australia will be involved.

As Prime Minister Rudd explained in the inaugural National Security Statement of December 2008, Australia must continue to reassess our evolving national security needs. We need periodically to adjust the lens through which we view the challenges to our security and the arrangements we establish to protect and advance our interests. This requires greater institutional agility than in the past.3

The 2009 Defence White Paper made the judgements that Australia: will most likely remain secure over the period to 2030 as it is “distant from traditional theatres of conflict between the major powers; and there is an absence of any serious, enduring disputes with our neighbours that could provide a motive for attack”.4 Despite these types of judgements and the emergence of new threats and challenges as outlined in the National Security Statement of 2008, the strategic approach taken by the Government is to maintain a focus “predominantly on forces that can exert air superiority and sea control in our approaches”.5

This approach neglects the nature of current ADF activities and the most likely future threats the country will face. There is little evidence that the agility demanded by Prime Minister Rudd is being achieved. If Australia is serious about the nature of current activities and is cognisant of new and

4 Department of Defence, Defending Australia in the Asia Pacific Century: Force 2030 (Canberra: Commonwealth of Australia, 2009), p. 49.
5 Ibid.
emerging threats, then a logical consequence is to reassess the balance between defence capabilities acquired for the least likely, high intensity contingencies as opposed to other, current and more likely tasks. Dramatic changes are not necessary, but a more balanced approach to defence and security capabilities is required.

In addition to those close to home, Australia’s security interests are increasingly where we trade, where our children travel, where visitors, migrants and refugees come from, where terrorists might be trained and where transnational criminals are allowed to operate. There is much work to be done to ensure regional stability, an adherence to a rules based system of global order and social cohesion among our neighbours. To pursue and protect the country’s interests requires a balanced whole of government diplomatic aid and security effort, as well as a balanced defence force. In this way security is achieved in a pro-active and cooperative manner. It is increasingly obvious that the new security environment is not a place for soldiers alone.

By contributing to stability, humanitarian and reconstruction operations, and by participating in military contingencies further afield, Australia makes an important contribution to its overall security. By delivering aid and assisting with capacity building in developing countries, Australia can assist in forestalling the deterioration of these countries. As well as meeting a humanitarian obligation, it assists in keeping their problems away from Australia’s shores. The 21st century security environment requires diplomatic, aid and capacity building efforts as well as military interventions.

A National Security Community

Over recent years, there has been an increased role for civilians in this new security environment. The Department of Foreign Affairs and Trade, AUSAID, Customs and Border Protection and the Australian Federal Police have become frontline security agencies. As new threats, such as cyber warfare, appear and the security implications of climate change and food, water and energy shortages are considered, new resourcing pressures are inevitable.

Government has recognised this new environment and has acted to develop a national security community under the guidance of the National Security Adviser. To date what is missing in the development of this community is a thorough evaluation and consideration of the contribution that each component of the Australian defence and security community makes to national security. This work is being done now and tentative adjustments to budget allocations were evident in the national security components of the 2010 Federal Budget. Eventually this work will result in revised roles and modified budgets for the myriad of defence and security agencies. Inevitably
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there will be winners and losers. Any decisions to adjust funding must be based on threat, risk, likelihood and consequences, not on precedent.

New security roles and tasks are emerging at a time when the world is struggling with the ramifications of the Global Financial Crisis and the Australian Federal budget is under sustained and legitimate pressure from the health, welfare and education sectors, and uncertainty remains over the impacts of climate change. Budget disputes among Federal and State defence and security agencies who are being asked to do more with less must be anticipated. There is also much more to be asked of the industrial and commercial segments which own and control critical infrastructure such as telecommunications, banking, power and water. Any threat to the operation and integrity of these services is a threat to national security and protecting and securing their operations is essential and will require funding.

To date, Australia’s defence and security agencies have operated in budget stovepipes. Soon they will be obliged to operate as a national security community and share the available budget. This will not be easy. Over the last decade, growth in the defence and security budget has been achieved largely through an increase in real funding due to increased operational commitments and good economic times. The commitments remain but the good times are gone.

Defence’s High-Intensity Bias

In the United States, Secretary of Defense Gates has steadfastly sought to restrict the numbers of F-22s to be purchased, seeking to rebalance the priorities of the US military toward counterinsurgency and away from conventional warfare.\(^6\) In this he has been supported by President Obama who noted that buying more F-22s would take money away from more urgent wartime needs and said, “At a time when we are fighting two wars and facing a serious deficit, this would have been an inexcusable waste of money.”\(^7\)

In contrast, in Australia, the 2009 Defence White Paper and related Defence Capability Plan contained advice of an extensive and expensive range of high-intensity capability priorities for the ADF. Total expenditure on the major projects alone will approach $100 billion. Decisions on the Air Warfare Destroyer have been made with a decision to acquire three for around $10 billion. Plans to acquire eight Future Frigates, after 2020, for a cost in excess of $20 billion are being developed. The Army has already replaced 103 obsolete Leopard tanks with 59 modern M1 Abrams tanks for around

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$520 million. In a phased acquisition plan it is intended to purchase about 100 Joint Strike Fighters for potentially up to $20 billion. The Collins Class submarine is to be replaced by twelve new South Australian assembled boats at a cost of up to $40 billion.

Structural changes to the ADF have the potential to free up resources for the current and most likely defence contingencies and potentially support the development of the broader national security community. It is time to look at the highest risk and least justified defence capability projects. This is not to suggest that they are not ‘required’, but that a discussion of numerical ‘requirements’, outside the context of limited resources and competing demands, does not adequately justify their acquisition.

For a conventional enemy force to directly threaten Australia it would need to either occupy territory close to Australia—Indonesia or Papua New Guinea—or possess an extensive amphibious capability, including aircraft carriers. These capabilities and events would be easy to detect and given the geostrategic environment and international and regional security architecture are unlikely eventualities. Warning time would be extensive and any actions would not go without the attention of neighbours, security partners and allies. Right now and for the foreseeable future, no one has either the capability or intent to attack Australia or the ability to secure territory close to the continent. In this environment it is difficult to foresee a threat situation which would require up to 100 JSF or twelve submarines.

Another potential threat scenario is where Australia might be asked to make a contribution to a campaign as part of a coalition in the event a third party is attacked or threatened. This is most likely to be conducted as part of an alliance such as the deployment of F/A-18s to Iraq in 2003. Such a scenario could be an Australian military contribution to assist in the defence of Taiwan or in the event of a crisis on the Korean Peninsula. Again the issue is how many JSF or submarines would be required? The White Paper provides no answer.

The 2009 Defence White Paper included, somewhat controversially, a section on strategic hedging against future uncertainty. Many read this to be the potential for an expansionist China and the diminution in the willingness or capacity of the United States to act as a stabilising force. In this context the force structure proposed in the White Paper (including about 100 JSF and twelve submarines) was seen a sound basis for building a more powerful force in the event of a significant deterioration in our strategic circumstances. A force of this size should be seen as the maximum force that Australia could field in the event of a deteriorating situation, not the baseline force for future expansion.
Cutting Future Submarines and Joint Strike Fighters

Submarines are an essential component of Australia’s maritime capability. They support naval power projection and provide specialised operational capabilities such as strategic strike and intelligence collection. Australia is right to acquire capable, long range and long endurance submarines. However, to date Australia has experienced considerable difficulty in building, crewing, operating and maintaining the current fleet of six Collins Class submarines. These problems appear to be endemic and despite considerable effort to resolve the situation, the submarine capability is still problematic.

The big decisions on submarines have yet to be made, but it is clear that they will be Australia’s largest-ever single defence project. Given the potential risk to cost and delivery, acquisition decisions must be made very carefully. This includes the number to be acquired, which has received scant contestable justification in the White Paper. The decision to acquire twelve large, indigenous designed submarines requires further consideration and validation before its merits can be judged against other competing demands.

In contrast, the first stage of the JSF acquisition, which involves fourteen aircraft, is already underway. The acquisition of the next batch of aircraft (taking the total up to 72 aircraft) and support capabilities is to be considered in 2012. The remaining aircraft batch (taking the total to around 100) will be acquired in conjunction with the withdrawal of the F/A-18F Super Hornet fleet.\(^8\) This staged acquisition strategy is sensible as it spreads risk, should result in cheaper unit costs and allows the flexibility to decide not to proceed to the full 100 figure.

Technology is delivering potentially more capable and cheaper solutions than JSF. Now is the time to take the technological leap to unmanned capabilities such as Global Hawk, Reaper\(^9\) and Avenger.\(^10\) Current and anticipated new technologies will invalidate much of what we can expect from manned aircraft such as JSF.\(^11\) Some, such as Admiral Michael Mullen

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\(^9\) The Reaper is capable of carrying a maximum internal payload of 800 pounds, external stores up to 3000 pounds (14 Hellfire missiles) and can stay airborne for up to 14 hours fully loaded, <http://www.defense-update.com/products/p/predatorB.htm> [Accessed May 2010].


the Chairman of the United States Joint Chiefs of Staff, have suggested that current aircraft will be the last generation of manned aircraft.\(^{12}\)

White Paper 2009 also introduced Australia’s air combat capability as being built on: multirole combat aircraft; air to air refuelling aircraft (five KC-30A); AEW&C aircraft (six B737 Wedgetail); extensive situational awareness; and a seamless joint command and control system.\(^{13}\) This system of systems is designed to enhance the capability of individual aircraft against potential enemy aircraft and the ability of the overall air combat fleet to operate as a cohesive whole. However, the efficiency gains to be achieved from this dramatically improved “system of systems” have clearly not been recognised. Australia’s air combat capability is being replaced on a one for one basis. Apparently there is nothing to be gained from the investment in new technologically superior aircraft, enhanced command and control, ISR, refuelling and early warning aircraft.

In the two most recent White Papers the figure of “up to” or “around” 100 JSF has been offered.\(^{14}\) Apart from a brief mention of an Air Combat Capability Review in White Paper 2009, there has been no real substantiation of this figure.\(^{15}\) While it is hoped that the justification is more scientific, it is passing strange that 100 is about equal to the number of F/A-18s and F-111s in the RAAF inventory at the time the 2000 White Paper was written. Platform replacement is not adequate justification.

The stated intent of purchasing “about 100 JSF” requires further justification. The most likely scenario for the deployment of an Australian air combat capability is in support of an Australian Defence Force naval and land force deployment in a coalition environment as occurred in Iraq in 2003. A similar deployment is conceivable in Afghanistan. In these types of environments, the air combat force would most likely be supporting a brigade or smaller sized Army or Naval unit. This is the task for a squadron-sized unit—typically fourteen aircraft. Instead of about 100 JSF a more realistic figure is about 50 JSF; three rotational combat squadrons and one training squadron. If there were an attack on the Australian mainland, this number of aircraft operating as part of an “air combat system of systems” would provide a potent defence. If the Super Hornet is maintained in service, the JSF capability should be reduced by the number of Super Hornets retained.


\(^{13}\) Department of Defence, Force 2030, p. 79.


\(^{15}\) Department of Defence, Force 2030, p. 78.
Conclusion

Australia is faced with difficult choices in the pursuit of its national security. Old threats remain and new ones are emerging. If the nation is to deal with risk in a responsible manner it must continue to acknowledge that while the need to directly defend the Australian continent against a peer competitor is unlikely, the consequences of failure are unacceptable. Australia must maintain high end military capabilities including submarines and the JSF to meet this role. There is also need for high end equipment capable of contributing to regional and global events as part of international and alliance commitments.

However, at a time of global deployments where the ADF is primarily conducting counterinsurgency, support and stabilisation operations in failed and failing states hard choices are required. These activities remain the most likely future strategic missions. Within the broader national security community, new threats and challenges and budget pressures need to be acknowledged. These factors invite a rebalancing of defence, diplomacy, aid and security budgets.

The JSF project should be restricted to the purchase of “about 50” aircraft. Similarly the Future Submarine project, soon to be the largest defence project, should be critically examined before proceeding with the announced purchase of twelve large submarines.

A reduction in the number of JSF and submarines being purchased would more closely match likely strategic requirements. A reduction would also acknowledge Australia’s technological and industrial capabilities and would release funds for other purposes that reflect the Government’s national security vision: enhancing the capabilities of the Department of Foreign Affairs and Trade; extending the capability of the AFP International Deployment Group; allowing AUSaid to provide more support to fragile regional states; and supporting other important efforts to enhance Australia’s national security.

After his retirement from the Army in 2008, Peter Leahy was appointed as a Professor and foundation Director of the National Security Institute at the University of Canberra. Peter.Leahy@Canberra.edu.au.