
Business as Usual? The 2013 Defence White Paper and the US Alliance

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The 2013 White Paper reaffirms the centrality of the US Alliance for Australia. It identifies a number of concrete areas for future cooperation and provides the foundation for developing greater strategic ties with China while remaining firmly anchored in the US camp. It is less clear, however, when it comes to Australia's future contribution to burden-sharing within the Alliance. Putting actions behind the goal to play a greater role in Southeast Asia will be an important litmus test for the alliance relationship. In many ways, the White Paper reflects a phase of re-orientation in the Alliance: away from operations further afield towards the increasing security dynamics in Australia's own region. As the future of China's trajectory—and US-Sino strategic relations—is still very much uncertain, the 'hedging' approach taken White Paper's approach makes sense. What happens if US-Sino strategic relations become more competitive is left to another day.

Shifts in the global and regional strategic posture of Australia's main ally, the United States, have been one of the key triggers for producing the new Defence White Paper. As Defence Minister Stephen Smith explains in the foreword, America's 'rebalance' towards the 'Indo-Pacific' region has been among the major developments influencing "Australia's national security and defence setting." The White Paper also had to account for the "substantially enhanced defence cooperation with the United States."¹ The Minister was referring to the Gillard Government's offer during US-President Barack Obama's visit in November 2011 to host US Marines and US Air Force contingents for rotational deployments in Northern Australia.

The US rebalance raises a number of critical issues for the US Alliance. At the core is the future of US-Sino strategic relations. China's rapid military modernisation and apparent ambition to challenge US military primacy in Asia led America's allies and partners, including Australia, to seek reassurances from Washington about its ongoing commitment to underwrite regional security. It also created a fierce debate about Australia's future strategic choices: could and should Australia's strategic policy remain closely aligned with the United States in the face of rising China?²

This question is intimately tied to the future of burden-sharing within the Alliance. As the US military directs greater attention towards the 'Indo-Pacific' region, Washington expects allies to step up and provide more

¹ Commonwealth of Australia, *Defence White Paper 2013* (Canberra: Department of Defence, 2013), p. ix.

² See for example Hugh White, *Power Shift: Australia's Future Between Washington and Beijing*, Quarterly Essay, no. 39 (Collingwood: Black Inc., 2010).

support. A greater role for allies such as Australia is necessitated by at least two reasons. First, as China's military capabilities increasingly pose a risk to major US land bases in Northeast Asia, America needs to diversify its strategic posture in Asia. This includes using the strategic depth provided by Australia's geostrategic location.³ Second, the US defence budget has come under increased pressure in the wake of the global financial crisis, and the 2013 White Paper notes that the Pentagon has to find savings of at least US\$487 billion. Unsurprisingly, the United States expects allies to provide more for their own defence.

Thus, the 2013 White Paper was expected to provide some answers as to Australia's response to the US 'rebalance' and its preparedness to share greater defence responsibilities in a potentially more competitive Asia.

ANZUS' Growing Importance

To start with the relative importance of ANZUS for Australia's defence policy: Like previous documents, the 2013 White Paper makes it clear that the alliance is Australia "most important defence relationship and...a pillar of Australia's strategic and security arrangements." It is also still regarded as indispensable in terms of "access to capabilities, intelligence and capacity that we could not generate on our own."⁴ Further, the document stresses that it is

unambiguously in Australia's national interest for the United States to be active and engaged in our region as economic, political and military influence shifts towards it.⁵

Other statements also sound like business as usual. This includes the argument that US extended deterrence in Asia has "provided a stable security environment underpinning regional prosperity", as well as the continued reliance on US nuclear extended deterrence:

As long as nuclear weapons exist, we rely on the nuclear forces of the United States to deter nuclear attack on Australia. Australia is confident in the continuing viability of extended nuclear deterrence under the Alliance.⁶

However, the 2013 White Paper also indicates that the US alliance might become even more important for Australia in the future. Unlike its 2009 predecessor, it is very clear about the limitations of Australia's long-standing policy of 'defence self-reliance'. The 2009 White Paper stressed that Australia's defence policy should "continue to be founded on the principle of self-reliance in the direct defence of Australia", including a need to be able to

³ Benjamin Schreer, *Planning the Unthinkable War: 'AirSea Battle' and its implications for Australia* (Canberra: Australian Strategic Policy Institute, 2013).

⁴ Commonwealth of Australia, *Defence White Paper 2013*, para 6.8.

⁵ *Ibid.*, para 6.10.

⁶ *Ibid.*, para 2.21.

“act independently”.⁷ In contrast, the 2013 White Paper not only argues that the “principle of self-reliance” operates “within the context of our Alliance with the United States and our cooperation with regional partners.”⁸ It also goes on to concede that “our defence policy is realistic about the limits of self-reliance. Australia continues to rely on significant support from the United States.”⁹ Even more, it is refreshingly realistic about what has been obvious to most analysts for quite some time:

If Australia were threatened by a major military power with military capabilities beyond our capacity to deter or defeat, we would depend on direct support from allied combat forces. We would, however, still seek to defend ourselves to the greatest extent possible, aware that it is very unlikely that a major power would attack Australia without entering into conflict with the United States and other regional states.¹⁰

In other words, defence self-reliance is not achievable in the face of future major power conflict in Asia, and in such a scenario Australia’s security depends even more on its American ally.

As a result, the 2013 White Paper promises to intensify practical cooperation with the United States. Accordingly, Australia will “seek opportunities to strengthen interoperability” and “acquire and sustain interoperable and complementary capabilities.”¹¹ Cooperation with the US Pacific Command will be increased through the two force posture initiatives, the US Marines rotational deployments through Darwin and enhanced aircraft and naval cooperation. Moreover, the White Paper announced the upgrading of airbases on Cocos Islands for maritime surveillance operations and RAAF bases Tindal and Learmonth, which could potentially be used by the United States in the future. It also confirms a joint study to “explore opportunities in the long-term for enhanced cooperation with the US Navy at a range of locations in Australia.”¹² Finally, the White Paper announces increased cooperation on space, including the establishment of a jointly-operated US C-Band space surveillance radar at the Harold E. Holt Naval Communication Station in Western Australia.

Hedging Against China’s Rise

In the run-up to the 2013 White Paper there was a growing expectation that the new document would strike a more conciliatory tone towards China. The Chinese government had made it very clear that it perceived the US ‘pivot’ as a policy designed to counter China’s rise. Further, the 2009 White Paper had been criticised for its allegedly harsh wording on the potentially negative

⁷ Commonwealth of Australia, *Defending Australia in the Asia-Pacific Century: Force 2030* (Canberra: Commonwealth of Australia, 2009), paras 6.16-17.

⁸ Commonwealth of Australia, *Defence White Paper 2013*, para 3.36.

⁹ *Ibid.*, para 3.37.

¹⁰ *Ibid.*, para 3.38.

¹¹ *Ibid.*, para 4.40.

¹² *Ibid.*, para 2.25.

consequences of Beijing's military modernisation. At the time, the White Paper triggered heavy Chinese criticism.¹³ This was later fuelled by media reports suggesting that it contained a classified section discussing how the Australian Defence Force (ADF) would participate in a war with China.¹⁴

While the 2009 White Paper had expected that "US strategic primacy" would prevail "over the period to 2030",¹⁵ it stressed that China's ongoing military modernisation could become a source of regional instability:

A major power of China's stature can be expected to develop a globally significant military capability befitting its size. But the pace, scope and structure of China's military modernisation have the potential to give its neighbours cause for concern if not carefully explained, and if China does not reach out to others to build confidence regarding its military plans.¹⁶

Although far less bellicose than the current strategic narrative on the 2009 White Paper makes us believe, this paragraph underlines that the Rudd Government was on the same page with the United States when it came to the key strategic challenge posed by China. The paper also gave the impression that the government took security developments in East Asia very seriously and was prepared to play a security role there. It identified Japan as a "critical strategic partner in our region"¹⁷ and placed the "wider Asia-Pacific region", including the relationships with Japan, China, South Korea and India, right after the US alliance when discussing 'Alliances and International Defence Relationships'.

How does the 2013 White Paper compare? While the language is indeed somewhat more conciliatory, there is less than meets the eye in terms of real change. For the first time, a White Paper contains a subchapter on the 'United States and China'. This demonstrates the single importance of this relationship for Australia's security and the broader region. The paper is optimistic seeing the

most likely future as one in which the United States and China are able to maintain a constructive relationship encompassing both competition and cooperation.¹⁸

This is in line with current US Government thinking, even so the future might be more bleak. There is still ample opportunity to integrate China in an evolving Asian security order. No Australian Government has anything to gain from reaching a different assessment at this point in history.

¹³ Philip Dorling and Richard Barker, 'China's fury at defence paper', *Sydney Morning Herald*, 10 December 2010.

¹⁴ Brendan Nicholson, 'Secret 'war' with China uncovered', *The Australian*, 2 June 2012.

¹⁵ Commonwealth of Australia, *Defending Australia in the Asia-Pacific Century*, para 4.14

¹⁶ *Ibid.*, para 4.26.

¹⁷ *Ibid.*, para 11.13.

¹⁸ Commonwealth of Australia, *Defence White Paper 2013*, para 2.19.

Against this background, the White Paper assumes that the

Government does not believe that Australia must choose between its longstanding Alliance with the United States and its expanding relationship with China

and that it does “not approach China as an adversary.”¹⁹ Analysts might debate whether at some stage an Australian Government would have to make such a choice. But reading the document, particularly in regards to the continued central importance of ANZUS, one is left with the implicit message that Australia has already chosen when it comes to its strategic policy: it will always side with the United States in case of a major power conflict in Asia. There needs to be no official announcement of a choice in a White Paper to underscore this central truth.

Moreover, the language makes it clear that the ball is still in China’s field when it comes to potentially negative implications of the modernisation of the People’s Liberation Army (PLA). While the White Paper describes Beijing’s growing defence capabilities as a “natural and legitimate outcome of its economic growth”, it also makes it clear that this development will “inevitably affect the strategic calculations and posture of regional countries and is changing the balance of power in the western Pacific.”²⁰ It also highlights that China’s rise is “being felt in Southeast Asia” and that “[m]any states are concerned by rising regional tensions since 2009.”²¹

The White Paper therefore reflects a classic ‘hedging’ approach through a slightly different way of saying that China’s military power remains a source of concern, without raising too much alarm in Beijing. Moreover, in a different section the 2013 White Paper makes more or less clear that the ADF might come into direct conflict with the PLA in Southeast Asia. Discussing the ADF’s future tasks, it states that operations “may include assisting Southeast Asian partners with external challenges and meeting our Alliance commitments to the United States.”²²

It is difficult to think of any future US military conflict in Southeast Asia that would not involve China. The reference to ‘external challenges’ for Southeast Asian countries is also implicitly pointing at China. Finally, the White Paper recognises that the ‘rebalance’ comes with shifts in US “force structure, investments in technology and weapon systems, and operational plans and tactics.”²³ This includes the Pentagon’s emerging ‘Air-Sea Battle’ concept, which is very much about readjusting US deterrent posture in the face of a modernising PLA. Australia is expected to play a key role in its

¹⁹ Ibid., para 2.28.

²⁰ Ibid., para 2.29.

²¹ Ibid., para 2.30.

²² Ibid., para 3.54.

²³ Ibid., para 2.26.

implementation,²⁴ and the White Paper's announcement to move forward on the force posture initiatives and to further strengthen interoperability with the US Pacific Command shows that steps are undertaken in this direction.

Thus, while the wording in the new White Paper is less hawkish towards China than in 2009, there is no doubt that Australian defence policy remains close to the United States when it comes to most significant challenge facing the alliance.

Burden-Sharing Light?

The new White Paper is however less clear about the future of allied burden-sharing. As outlined at the beginning, for the United States the 'rebalance' was meant as a signal to allies to increase joint defence efforts. The 2013 White Paper sends mixed messages in this regard.

When it comes to defence capabilities, the United States will be pleased to read that the Government "remains committed to delivering the core capabilities identified in the 2009 White Paper."²⁵ The ADF is to be more capable in undersea warfare; anti-submarine warfare; surface maritime warfare; air superiority; strategic strike; special forces; intelligence, surveillance and reconnaissance; and cyber security. If implemented, this would indeed create a more capable defence force. Further, while the White Paper states that the ADF would be optimised for operations in the South Pacific and in Southeast Asia, the reality is that Australia's actual force structure has always reflected an ambition to operate alongside US forces, wherever necessary.

However, in no uncertain terms the White Paper makes also clear that Australian defence policy operates in a changing fiscal environment. In other words, the ADF has to contribute its share in an effort to get the federal budget back to surplus. Despite the government's intentions to save the 2009 force structure construct, it is quite clear that unless the defence budget is experiencing steady growth in the coming years, any future government simply will not have enough money to pay for all the 'core capabilities'.²⁶ As a result, the ADF might end up as a less capable force, and the White Paper left it to the next government to make some tough decisions on the future force structure. Behind closed doors, US officials are reportedly not amused about the prospect of stagnating Australian defence spending at a time of American re-engagement in Asia.²⁷

²⁴ Schreer, *Planning the Unthinkable War*.

²⁵ Commonwealth of Australia, *Defence White Paper 2013*, para 1.22.

²⁶ Mark Thomson, *The Cost of Defence: ASPI Defence Budget Brief 2013-2014* (Canberra: Australian Strategic Policy Institute, 2013).

²⁷ Peter Hartcher, 'US alarm at defence budget cuts', *Sydney Morning Herald*, November 10, 2012.

In addition, the United States might wonder where Australia is indeed willing to play a greater role. The government's rhetoric to 'refocus' on Australia's 'own region' indicated a reduced level of ambition. Therefore, the White Paper reflects a different assessment on Australia's engagement in East Asia. While it mentions the 'flashpoints' in that region, Japan is no longer identified as a 'critical strategic partner', and the chapter on 'Alliances and International Defence Relationships' now places North Asia after Southeast Asia. However, not only would the US expect its Australian ally to support it in the case of conflict. Clearly, China's rise is also not only "felt" in Southeast Asia. In fact, tensions in East Asia between China and its neighbours are potentially much more dangerous. A more self-confident PLA is testing Japanese and US resolve in the East Sea, as demonstrated in the dispute over the Senkaku/Diaoyu Islands. Taiwan is deeply concerned about the changing military balance in the Straits.²⁸ And even South Korea is increasingly suspicious about China's strategic intentions. However, the White Paper merely states that Australia "wishes to see a peaceful regional strategic order with deeper understanding, clearer communication, and more effective and reliable rules."²⁹

When it comes to Southeast Asia, the White Paper reflects an ambition to play a greater role. Apart from aforementioned reference to "assisting Southeast Asian partners with external challenges", the paper notes that in the "Indo-Pacific, particularly Southeast Asia, the ADF needs to be prepared to play a role in keeping the sea lanes secure."³⁰ It also vows to make "substantial contributions if necessary"³¹ which could come through the deployment of "joint task forces in the Indo-Pacific region."³² However, it remains to be seen if the ADF will indeed play a greater role in Southeast Asia. The White Paper is not clear on how exactly to achieve deepening defence engagement with the region. Partly, success of future initiatives will depend on the willingness of future Australian governments to spend resources. But it will also depend on whether Southeast Asian countries would want to see Australia as an external actor playing a greater role in regional security, and be contingent upon the degree to which Australia and the United States can harmonise their respective approaches to regional defence engagement.

Finally, the White Paper aims for Australia to "continue to play a leading role in assisting South Pacific states and Timor-Leste"³³ to improve their governance and security; including through an "enduring joint amphibious

²⁸ Sheryn Lee and Benjamin Schreer, 'The Taiwan Strait: Still Dangerous', *Survival*, vol. 55, no. 3 (June-July 2013), pp. 55-62.

²⁹ Commonwealth of Australia, *Defence White Paper 2013*, para 2.31.

³⁰ *Ibid.*, para 3.15.

³¹ *Ibid.*, para 3.54.

³² *Ibid.*, para 3.42.

³³ *Ibid.*, para 3.14.

presence”.³⁴ Such a presence would certainly be useful as a tool for regional defence diplomacy and assisting in disaster relief. However, it is not clear that a ‘joint amphibious presence’ alone would enable the ADF to make a lasting impact in the South Pacific. Apart from developing a truly amphibious culture within Army and Navy, it would require more deployable land forces specialised for peace-keeping operations; a rather unlikely prospect for an Army still focussing on fighting a ‘peer competitor’. Moreover, while the United States would certainly expect and welcome Australia’s ‘ownership’ of security problems in the South Pacific, ultimately it will judge the value of Australia as an ally primarily by its willingness to engage in parts of the Indo-Pacific which are arguably of much greater strategic importance to the region as a whole.

Hedging Makes Sense...For Now

The 2013 White Paper reaffirms the centrality of the US Alliance for Australia. It also identifies a number of specific areas for future cooperation to support America’s rebalance to Asia. Moreover, it provides the foundation for developing greater strategic ties with China while remaining firmly anchored in the US camp. It reflects a view of the alliance similar to how Foreign Minister Bob Carr described the last AUSMIN talks in November 2012: “very much in the spirit of business as usual, steady as she goes, no new strategic content or announcements, but a matter of consolidation.”³⁵

This approach might be sufficient for the moment. In the long-run, however, the United States will certainly press for more Australian engagement, particularly if Canberra fails to put actions behind the aim to play a greater role in Southeast Asia, which will be an important litmus test for the alliance relationship. In many ways, the White Paper reflects a phase of re-orientation in the Alliance: away from operations further afield towards the increasing security dynamics in Australia’s own region. As the future of China’s trajectory—and of US-Sino strategic relations for that matter—is still very much uncertain, the ‘hedging’ approach taken White Paper’s approach makes sense. What happens if US-Sino strategic relations become much more competitive is left for a future White Paper.

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³⁴ Ibid., para 3.51.

³⁵ Transcript Press conference about the AUSMIN talks held in Perth, 14 November 2012, <http://foreignminister.gov.au/transcripts/2012/bc_tr_121114.html> [Accessed 14 June 2013].