
An Australian National Security Strategy: Competing Conceptual Approaches

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There is a growing global interest in formulating national security strategies but their form, nature and usefulness depends greatly on the conceptual approach policymakers choose to base them on. The three different national security approaches of grand strategy, opportunism and risk management have different purposes, parameters and implications. The first major issue to be considered when devising an Australian National Security Strategy is which organising construct to adopt.

Globally there has been a recent surge in interest in states producing a national security strategy document.¹ Australia has not been immune from this with the publishing of a National Security Statement² and recent calls for this to be developed further into an Australian National Security Strategy.³ This genre has been strongly influenced by the American National Security Strategy that each American Presidential administration has been required to regularly publish since the 1986 Goldwater-Nichols Department of Defense Reorganization Act. The purpose of the American National Security Strategy is “for developing, applying, and coordinating the instruments of national power to achieve objectives that contribute to national security”.⁴

The American National Security Strategy consciously adopts a grand strategy conceptual approach, but many others do not.⁵ Indeed some

¹ Examples include: *National Security Strategy until 2020* (Moscow: Russian Federation, 2009); *Finnish Security and Defence Policy 2009* (Helsinki: Prime Minister’s Office Publications, 2009); *The National Security of the United Kingdom: Security in an Interdependent World* (Norwich: The Stationery Office, March 2008); *The French White Paper on Defence and National Security* (Paris: Présidence De La République, 2007); *National Security Policy for Jamaica: Towards a Secure and Prosperous Nation* (Kingston: Government of Jamaica, 2007); *Strategy of National Security of Montenegro* (Podgorica: Government of the Republic of Montenegro, 2006); *National Security Strategy 2005* (Bucharest: Government of Romania, 2005), *National Security Concept of the Republic of Estonia* (2004); *The National Security Strategy of the Republic of Poland* (Warsaw: Republic of Poland, 2003).

² Prime Minister of Australia, The Hon. Kevin Rudd MP, *The First National Security Statement To The Australian Parliament* (4 December 2008).

³ Carl Ungerer, *The Case For An Australian National Security Strategy* (Canberra: Australian Strategic Policy Institute, 2011).

⁴ Joint Staff, *Joint Publication 1-02 Department of Defense Dictionary of Military and Associated Terms* (Washington DC: Department Of Defense, 12 April 2001 (as amended through April 2010)), p. 321.

⁵ Examples include: *A Strong Britain in an Age of Uncertainty: The National Security Strategy* (Norwich: The Stationery Office, 2010); *Dutch National Safety and Security Strategy* (2007); *The*

documents titled as a 'National Security Strategy' are not strategies at all in the conventionally understood sense that a strategy is a 'way' by which 'means' are used to achieve desired 'ends'.⁶ While perhaps colloquially titled as a 'national security strategy', these documents are based on organising constructs quite different to the ends-ways-means relationship of grand strategy. In such cases the term 'national security strategy' is simply a name not a statement of the document's fundamental conceptual approach.

A national security strategy document does not have to follow the grand strategy conceptual approach. For some nations in particular circumstances there may be more suitable organising constructs to use. The conceptual approach a national security strategy takes however, greatly determines the nature and the utility of the document so this seemingly esoteric matter requires some thought.

There are three broad conceptual approaches—grand strategy, opportunism, and risk management—that policymakers can potentially use when formulating national security strategies.⁷ Such a separation may at first glance appear flawed as the alternatives of opportunism and risk management could be deemed to be grand strategies in themselves. The principal issue however, is the policy that animates these three distinct conceptual approaches. A grand strategy has a defined objective—a specific desired end—whereas opportunism and risk management instead await external events; they do not deliberately progress to some particular endpoint. Opportunist or risk management policies still require resources to be developed and allocated, but the purpose for which this is done is imprecise and generic; the emphasis is instead on the means. Opportunism and risk management are means-centred; grand strategy is ends-centred.

Fight Against Terror: Singapore's National Security Strategy (Singapore: National Security Coordination Centre, 2004).

⁶ In this elegant, widely used formulation of strategy that Art Lykke devised the 'ends' are the objectives of a strategy (the "what" is to be accomplished), the 'ways' are the courses of action ("how" the ends are to be accomplished) and the 'means' are the resources used. See H. Richard Yarger, 'Toward a Theory of Strategy: Art Lykke and the Army War College Strategy Model', in J. Boone Bartholomees (ed.), *U.S. Army War College Guide to National Security Issues, Vol I: Theory of War and Strategy, 4th Edition* (Carlisle: Strategic Studies Institute, US Army War College, 2010), pp. 45-51.

⁷ It can reasonably be argued this is a somewhat arbitrary selection of alternatives and that there may be more. In countering this argument, empirically there are historical examples of grand strategy, opportunism and risk management, as this article will illustrate. More abstractly, this article later employs Foucault's 'ship of state' metaphor and in this there seem only three alternatives for a metaphoric ship of state: sailing to some port (grand strategy), sailing to take advantage of fair winds (opportunism) and sailing to avoid difficulties (risk management). The remaining option of sailing to return to the port that was left seems illogical. While simple, such a high-level abstraction does suggest there are only a limited number of organising constructs possible.

Whichever option is chosen has significant implications that need to be considered before policymakers develop a national security strategy. This article examines the three alternative conceptual approaches of grand strategy, opportunism, and risk management and proposes that, on balance, the grand strategy option is preferred for the first Australian National Security Strategy.

Grand Strategy: An Ends-centred Conceptual Approach

The modern understanding of 'grand strategy' arose in the 20th century and reflected the complexities of preparing for, and waging, large-scale modern wars. The attribute that makes strategy 'grand' is that grand strategy concerns not just the "use made of means ... to achieve desired ends"⁸ but also the development of the 'means' used. Grand strategy is concerned with assembling and marshalling the material and non-material resources needed to build and sustain the means needed to implement the grand strategy. These resources can be accessed domestically or internationally, from private or government sources, or in some complex combination but the manner in which this is accomplished can appreciably influence the grand strategic outcome.

In the Cold War, the Soviet Union chose a grand strategy that made it into a 'garrison state' with emphasis given to military preparation but at significant detriment to society and the ultimate collapse of the state.⁹ Conversely, the United States struck a better balance between military preparedness, long-term economic growth and societal prosperity. The United States became a 'contract state', limiting extraction and mobilisation to very specific areas of the economy and becoming reliant upon private enterprise for the necessary research, development and manufacture of armaments.¹⁰ The American grand strategy as it evolved imposed progressively less of a burden on its society and this gave the United States greater resilience and robustness than the increasingly brittle Soviet Union. America better balanced grand strategy demands and power creation, and in due course prevailed. Including the development of the means used makes grand strategy distinctly different to not only strategy, but also to foreign policy and statecraft.

Grand strategy has additional concerns in ways that further delineate it. Firstly, in grand strategy the means used are comprehensive, embracing a diverse array of instruments of national power rather than as strategy does, focusing on a single type of instrument. In particular, a grand strategy directs the instruments of national power, usefully categorised as:

⁸ Colin S. Gray, *The Strategy Bridge: Theory for Practice* (Oxford: Oxford University Press, 2010), p. 18.

⁹ Aaron L. Friedberg, *In the Shadow of the Garrison State: America's Anti-Statism and Its Cold War Grand Strategy* (Princeton: Princeton University Press, 2000), pp. 75-80.

¹⁰ *Ibid.*, pp. 341-51.

“information, diplomacy, economics and military (words, deals, goods and weapons.)”¹¹ These instruments of national power are much wider than whole-of-government (also called inter-agency). Rather grand strategy takes a whole-of-nation approach that includes domestic and international private, commercial and governmental resources.

Secondly, grand strategy integrates the application of these diverse means with their development and allocation into a coherent, cohesive whole. In a conceptual sense grand strategy is a system: a set of interdependent elements where change in some elements or their relations produces change across the system, the entire system exhibits properties and behaviours different from the constituent parts, and “outcomes cannot be understood by adding together the units or their relations”.¹² Inherently, a grand strategy can only be understood in its totality not as set of disaggregated elements or units.

Lastly, the expansive and integrative scope of grand strategy is necessary given its ambitious purpose; a grand strategy seeks to impose a preferred state of order on some aspect of the future. It is about taking a planned series of successive actions with the intent of constructing a favoured future by attempting “to impose coherence and predictability on an inherently disorderly environment composed of thinking, reacting, competing, and conflicting entities”.¹³ States use grand strategic approaches deliberately and with forethought to try to build their desired futures.

Grand strategies are thus an instrument of modern governments used to achieve particular ends; they are in a broad sense a form of governance states can decide to use in certain circumstances. In discussing such matters, the French political thinker Michel Foucault wrote of the ‘ship of state’ and this metaphor remains useful when thinking about abstract matters like grand strategy and its alternatives. Foucault wrote of captaining a ship that having left a safe harbour with cargo is bound for a distant port; he wrote of its governance that:

It means clearly to take charge of the sailors, but also the boat and the cargo; to take care of a ship means also to reckon with winds, rocks and storms; and it consists in that activity of establishing a relation between the sailors who are taken care of and the ship which is to be taken care of, and the cargo which is to be brought safely to port...¹⁴

¹¹ Harold D. Lasswell, *Politics: Who Gets What, When, How* (New York: McGraw-Hill, 1958), pp. 204-5.

¹² Robert Jervis, *Systems Effects: Complexity in Political and Social Life* (Princeton: Princeton University Press, 1997), p. 6.

¹³ Steven Metz, *Iraq and the Evolution of American Strategy* (Washington: Potomac Books, 2008), p. xviii.

¹⁴ Michel Foucault, 'Governmentality', in Graham Burchell, Colin Gordon and Peter Miller (eds.), *The Foucault Effect: Studies in Governmentality: With Two Lectures by and an Interview with Michael Foucault* (Chicago, IL: The University of Chicago Press, 1991), p. 93-4.

Captaining involves purposefully steering the ship of state, and all the people and material of the ship, through various travails to a known and desired destination. In this metaphor government has a defined end in mind when managing the state but if the end is unknown or uncertain, can the ship of state then be properly steered? If an ends-centered approach is impractical, the use of a means-centered conceptual approach may be necessary.

Means-centred Conceptual Approaches

RISK MANAGEMENT

Under a risk management conceptual approach the intent is not some specific objective but instead to lessen the impact of any of the chosen security risks that actually eventuate.¹⁵ Foucault's ship of state is not being steered towards any particular destination, instead attention is directed towards minimising any harm done to the sailors, the cargo and the ship by the sea's elemental forces. With a risk management approach the ship as it exists is simply being safeguarded from the intrinsic risks involved in sailing the sea. There is no well-crafted grand strategic plan guiding the ship of state towards a safe harbour, and neither is the captain taking advantage of favourable opportunities to make the crew more secure or more prosperous.

Security studies academic Karen Petersen has identified three different 'cultures' of risk management: the first is informed by actuarial and economic theory and argues that risk can be measured and consequently controlled; the second asserts that risk is a social construct with the choice of risks to be managed based on cultural perceptions and values; while the third contends that risk represents a modern discursive construction, continually changing because of political struggles and decisions.¹⁶ The risk management approach discussed in this article is derived from the first: the economic culture that weighs the vulnerability, the consequences and the likelihood of a risk eventuating against the cost-benefits.¹⁷ The risk management approach of the economic culture has an investment logic, although this is not an end-means relationship in a resources prioritisation or allocation sense as risk management assumes no likely future or desired end.

Under the risk management approach, the contemporary international and domestic environment is seen as complex with multiple interdependences and cross-linkages that make the future inherently non-linear and

¹⁵ Sharon L. Caudle and Stephan de Spiegeleire consider that embracing risk management approaches has led to a new generation of national security strategies. Sharon L. Caudle and Stephan De Spiegeleire, 'A New Generation of National Security Strategies: Early Findings from the Netherlands and the United Kingdom', *Journal of Homeland Security and Emergency Management*, vol. 7, no. 1 (2010), p. 1.

¹⁶ Karen Lund Petersen, *Corporate Risk and National Security Redefined* (Abingdon: Routledge, 2012), pp. 16-22.

¹⁷ The alternative actuarial culture based on the historical analysis of previous calamities and the spreading of costs across many underpins insurance calculations, but is inappropriate for national security where risk events are unique, relatively rare and hard to predict.

unpredictable. As this complexity increases more unexpected consequences arise from actions taken; society generates its own risks.¹⁸ This reflexive nature of risks means problems need to be managed as they become apparent, rather than solved. Knowing new unexpected risks will arise, and that there is always a certain level of residual risk from known factors, governments must retain the flexibility and the resources to deal with a succession of unforeseen events. Security studies scholar Mikkel Rasmussen observes that:

politics is no longer about initiating a social, economic or political process and bringing an end to a particular problem, as Foucault's ship metaphor implied. Governments no longer master ends, only means. Politics is about managing the process. In Foucault's metaphor, the rationale of government is to keep the ship of state afloat.¹⁹

Risk management is therefore all about loss control; if risks eventuate there will be losses and associated costs but risk management is intended to control these to tolerable and manageable levels.²⁰ This is quite different to governments using grand strategies to achieve defined and specific ends, as the Dutch National Safety and Security Strategy and recent Australian Defence White Papers demonstrate.

The Dutch National Safety and Security Strategy aims to prepare the country to manage internal and external threats that could potentially cause serious social disruption. Wide-ranging human security threats are considered including climate change, transnational crime, Muslim radicalisation, societal polarisation, cyber-disruption, economic crises and terrorism.²¹ These threats are assessed in terms of risks to vital interests, prioritised in terms of possible consequences and assessed likelihood, and incorporated into a national risk assessment. The Netherlands Government then determines which particular risks will be addressed through building and sustaining the necessary national capabilities to manage these risks should they eventuate.²² The overall intent is to reduce the impact of the selected risks, if they eventuate, down to a level considered both acceptable and controllable.

¹⁸ Ulrich Beck (Translated by Mark Ritter), *Risk Society: Towards a New Modernity* (London: Sage Publications Ltd, 1992), p. 21.

¹⁹ Mikkel Vedby Rasmussen, *The Risk Society at War: Terror, Technology and Strategy in the Twenty-First Century* (Cambridge: Cambridge University Press, 2006), p. 37.

²⁰ Paul Hopkin, *Fundamentals of Risk Management: Understanding Evaluating and Implementing Effective Risk Management* (London: Kogan Page, 2010), pp. 148-52, 253-76.

²¹ *Dutch National Safety and Security Strategy*, <http://www.minbzk.nl/english/subjects/public-safety/national-security/@114278/factsheet-national_0> [Accessed 10 June 2010]. Dr Hans Bergmans et al., *Working with Scenarios, Risk Assessment and Capabilities: In the National Safety and Security Strategy of the Netherlands* (The Hague: Ministry of the Interior and Kingdom Relations, 2009), pp. 11-2.

²² Netherlands Ministry of Interior and Kingdom Relations, *National Security: Strategy and Work Programme 2007-2008* (The Hague: Ministry of the Interior and Kingdom Relations, 2007), p. 10.

Recent Australian defence policies have also adopted risk management approaches as a way of selecting specific Australian Defence Force investment options. The 2000 Defence White Paper handled uncertainty in the strategic environment by employing a strategic risk management concept which determined that Australian Defence Force capabilities would be developed for the risks of a direct armed attack on the country and internal “lower-level” conflicts in Australia’s immediate neighbourhood.²³ The 2009 Defence White Paper continued this approach explicitly noting that given uncertainty, “the key problem in defence planning is strategic risk”.²⁴ In implementing risk management, this later White Paper carefully selected to concentrate available resources on addressing only one risk: a direct armed attack on the country.²⁵ These two White Papers focused on building means and did not actively seek to develop a future order in which the nominated risks would not eventuate. Instead the risks were seen as enduring, and against which the only option was to be able to limit the damage inflicted to a manageable level should they occur. What the acceptable damage levels were was not elaborated upon, rather the stress was on developing military means.

The major outcome of risk management is consequently resilience.²⁶ Foucault’s ‘ship of state’ at some time will hit the rocks but taking specific actions before this could help the passengers, cargo, crew or ship to function post-shock. From an organisational perspective, resilience objectives can vary from building capabilities and capacities to survive shocks, to continuing operation in the presence of shocks, to recovering from shocks to the original form, or to absorbing shocks and evolving in response.²⁷ Countries will always be sensitive to some stresses but resilience seeks to reduce

²³ The White Paper noted that the military forces developed to meet these two chosen risks could be used selectively and carefully for other tasks but force structure decisions were to be driven by these two risks. For the rationale behind adopting a Strategic Risk Management approach see: *Defence 2000: Our Future Defence Force* (Canberra: Defence Publishing Service, October 2000), pp. 6-7.

²⁴ Department of Defence, *Defending Australia in the Asia Pacific Century: Force 2030* (Canberra: Australian Government, 2009), p. 27, para. 3.7.

²⁵ *Ibid.*, p. 41, paras 5.1 to 5.6. There were though some occasional glimpses of a grand strategy approach in brief discussions of preferred future international orders e.g. *Ibid.*, p. 96, para 11.20.

²⁶ Resilience methodologies generally advocate an all-hazard, comprehensive, whole-of-society approach that acts across the spectrum of prevention, preparedness, response and recovery. Athol Yates and Anthony Bergin, *Hardening Australia: Climate Change and National Disaster Resilience*, ASPI Special Report Issue 24 (Canberra: Australian Strategic Policy Institute Limited, 2009); Jennifer Cole, ‘Securing Our Future: Resilience in the Twenty-First Century’, *The RUSI Journal*, vol. 155, no. 2 (May 2010), pp. 46-51.

²⁷ Brenton Prosser and Colin Peters, ‘Directions in Disaster Resilience Policy’, *The Australian Journal of Emergency Management*, vol. 25, no. 3 (July 2010), p. 8.

states' vulnerability, in terms of ongoing costs and impacts, to the shocks that do occur.²⁸

OPPORTUNISM

An alternative means-centred national security conceptual approach is opportunism where a state's policies change, shift and evolve as circumstances require. The intent is to seize opportunities and address challenges as they arise. The ship of state is simply sailing on the sea; it has not left a known port nor is it headed towards a desired landfall but rather the captain—the government—is simply seeking to take advantage of any favourable winds. Echoing Foucault in an apt description of this approach, Lord Salisbury, then Secretary of State for India, observed near the highpoint of the British Empire that: "English policy is to float lazily downstream, occasionally putting out a diplomatic boathook to avoid collisions."²⁹ It is important though to realise that in opportunism there is an element of carefully and deliberately exploiting others.

Japan is a country seemingly able to succeed through opportunistically adapting to changing international circumstances and exploiting evolving situations to the nation's advantage. Asian historian Kenneth Pyle believes that since the Meiji Restoration Japanese leaders have been reactive to the forces shaping the modern international system, referring to these as *sekai no taisei* (trends of the world), *jisei* (trends of the time) or *hitsuzen no ikioi* (inevitable force of circumstance).³⁰ Japanese leaders are expected to judge the trends, react to events and to seize the opportunities presented. International relations academic Kosaka Masataka concludes that:

the task for the Japanese is to adapt wisely to the international situation to secure its national interests, and not try to change or create the mysterious framework.³¹

Journalist Paul Kelly saw former Australian Prime Minister John Howard similarly eschewing grand strategies and instead adopting an approach of responding to rapidly changing events and devising Australian foreign policy accordingly. The Howard Government (1996-2007) took advantage of many of the international challenges and opportunities that unexpectedly arose after the 9/11 terrorist attacks. Kelly sees the deepening of the Australia-US

²⁸ Keohane and Nye usefully conceived as sensitivity being the liability to costly effects imposed by external events, while vulnerability was the ability to make timely changes that reduced the impact of these shocks when they occurred: Robert O. Keohane and Joseph S. Nye, *Power and Interdependence*, 2nd edn (Glenview: Scott, Foresman and Company, 1989), pp. 12-6.

²⁹ Lord Salisbury, 'Letter to Earl of Lytton, 9 March 1877', in Lady Gwendolen Cecil, *Life of Robert, Marquis of Salisbury Vol. 2* (London: Hodder and Stoughton Ltd, 1921), p. 130.

³⁰ Kenneth B. Pyle, 'Japan: Opportunism in the Pursuit of Power', in Robert A. Pastor (ed.), *A Century's Journey: How the Great Powers Shape the World* (New York: Basic Books, 1999), p. 243.

³¹ Masataka Kosaka, 'The International Economic Policy of Japan', in Robert A. Scalapino (ed.), *The Foreign Policy of Modern Japan* (Berkeley: University of California Press, 1977), p. 224.

alliance that occurred not as the result of a long-term Australian plan but rather as a “study in political opportunism”.³²

At its extreme though, opportunism can become simply events-driven with little consideration given to exploiting others. In analysing the apparently incoherent grand strategy the United States followed in the Persian Gulf during 1972-2005, strategic studies academic Steve Yetiv decided that American actions in fact represented the absence of a grand strategy. He called the approach ‘reactive engagement’ observing that while some may see in the random and erratic approaches the United States has followed evidence of some master plan, closer inspection reveals simply a continuing reaction to unexpected events and surprises.³³

The Key Differences

The three conceptual approaches have distinct differences that are significant when thinking about formulating a national security strategy. Firstly and most importantly, the grand strategy approach tries to take you where you wish to go; the grand strategy embraced may not succeed but the intention in using this approach is to reach a particular desired objective.

By comparison, with opportunism you only go where others take you. As noted earlier Salisbury described British policy as “floating lazily downstream” but this immediately raises questions of whose stream, taking the nation where and how fast? Although seeking to exploit others, the state using opportunism does not initiate events and must accept the boundaries set by others; the opportunist state becomes a part of another state’s project and is responsive to that. The other more activist state sets the agenda and determines the framework of the debates cognisant of its own goals and capabilities. The opportunist state can only be ready to react as circumstances dictate; the ship of state in this approach is actually captained by another.

Risk management is different again in that the state awaits expected events. A risk management approach guides actions to moderate the impact of calamities deemed unavoidable. All countries at some time suffer misfortunes but making preparations can reduce their impact. Under a risk management approach a state waits for the adverse events anticipated to occur. Of course an advantage of the risk management approach is that the feared risk may never eventuate, no action is then needed and thus

³² Paul Kelly, *Howard's Decade: An Australian Foreign Policy Reappraisal* (Sydney: Lowy Institute for International Policy, 2006), p. 47. For a deeper examination of this matter see: Lloyd Cox and Brendon O'Connor, ‘Australia, the US, and the Vietnam and Iraq Wars: “Hound Dog, not Lapdog”’, *Australian Journal of Political Science*, vol. 47, no. 2 (June 2012), pp 173-88.

³³ Steve A. Yetiv, *The Absence of Grand Strategy: The United States in the Persian Gulf, 1972-2005* (Baltimore: John Hopkins University Press, 2008), pp. 192-7.

determining the approach's success in any qualitative or quantitative sense is impossible.

Secondly, using the grand strategy approach some form of resource prioritisation is possible. There are defined ends thus an attempt can be made to rationally develop, distribute and allocate the means in a coherent manner. This is not just for the tangible resources such as manpower, money and material but also for the intangibles like legitimacy and a state's related soft power. A grand strategy can moreover shape means beyond the state in the wider society, in non-governmental organisations, in commercial businesses and practices, and internationally. Over time a state can have the most useful and appropriate means available and mobilised to support its chosen goals. A further resource prioritisation benefit in the grand strategy approach is that in having defined ends there is a benchmark against which to judge progress; over time the efficiency and effectiveness of the grand strategy can be evaluated, unlike the other two approaches.

With opportunism being means-centred, but with the future utility of these means being unclear, resource prioritisation is inherently problematic. There are two potential options: either develop the means in a manner that gives the most flexibility of who to join at some future time as events evolve, or determine early whose specific grand strategy will be taken advantage of and develop the means appropriate to that.

In the first option the means developed would stress diversity and variety to give the greatest flexibility; a broad set of capabilities would be sought but each means would not need to be quantitatively large. When the moment arrived these means could be further developed in terms of scale as proved necessary. This is similar to Australia's core force structure approach of the 1970s where a diverse but small defence force was maintained with the intention that those parts that actually proved useful in some future contingency would be expanded as needed at some future time.³⁴ The 1975 Strategic Basis of Australian Defence Policy declared that: "The core force should be a force ... with relevant skills and equipment capable of timely expansion to ... meet a developing situation."³⁵ Such an approach allows considerable flexibility in choosing whose grand strategy to join, allowing decisions to be delayed until events necessitated and the circumstances were clear.

³⁴ The concept was criticised at the time on the grounds that in applying its logic the future, fully expanded, force structure was inherently unknowable and so the concept was unusable for determining resource priorities. Paul Dibb, 'The Self-Reliant Defence of Australia: The History of an Idea', in Ron Huiskens and Meredith Thatcher (eds.), *History as Policy: Framing the Debate on the Future of Australia's Defence Policy* (Canberra: ANU E Press, 2007), p. 16.

³⁵ Stephan Frühling, *A History of Australian Strategic Policy since 1945* (Canberra: Defence Publishing Service, 2009), p. 537.

In the second option of an early decision being made on the foreign grand strategy to be embraced, the means could be developed and optimised for inclusion in the chosen over-arching design. The precise time of when to formally and materially join the other's grand strategy would be the key remaining judgement and be determined by assessments of when the greatest opportunities presented themselves. The means in this model while qualitatively narrow and selective could become numerically larger if necessary. In some respects this seems to have occurred in the evolution of the Australian Special Forces' force structure in the last decade when the Howard Government decided to adopt an opportunistic approach to defence matters. As the Special Forces, that had been developed to be interoperable with US forces, were proving operationally useful in the American-led Iraq and Afghanistan Wars they were significantly expanded. This did not reflect the requirements of the risk management approach that the government's formal Defence White Paper articulated, but instead the demands of the extant American grand strategy.

Resource prioritisation is also problematic in the risk management approach. A risk management table that guides the development of national means can simply be a long list of possible threats that could occur at some future, indefinite time. The likelihood of any particular event occurring is a matter of judgement and when assessing the impact of a disaster the tendency is for a 'worse case' analysis to be recommended. As Lord Salisbury further observed: "If you believe the doctors, nothing is wholesome; if you believe the theologians, nothing is innocent; if you believe the military, nothing is safe."³⁶ The selection of risk is accordingly a political decision; it is inherently a matter for judgment not quantitative assessment.³⁷ This is fertile ground for debate, disagreement and bureaucratic manoeuvring; less likely risks that all can agree on may be selected almost by default. The risk from Iraq's weapons of mass destruction was chosen as the most threatening and needed precautionary action purportedly because it was the only risk all the main actors in the US government and bureaucracy could agree on.³⁸

There also remain inherent problems in resource prioritisation that arise from organisational arrangements and bureaucratic imperatives that the risk management approach concept intrinsically does not address. The use of the Dutch National Safety and Security Strategy based on the risk management approach has improved inter-departmental awareness but translating this into coordinated funding decisions that develop new

³⁶ Lord Salisbury quoted in Cecil, *Life of Robert, Marquis of Salisbury Vol. 2*, p. 153.

³⁷ Timothy Edmunds, 'British Civil-Military Relations and the Problem of Risk', *International Affairs*, vol. 88, no. 2 (2012), pp. 272-5. Jonas Hagmann and Myriam Dunn Cavelty, 'National Risk Registers: Security Scientism and the Propagation of Permanent Insecurity', *Security Dialogue*, vol. 43, no. 1 (2012), pp. 90-2.

³⁸ Tony Banks, 'WMD Just a Convenient Excuse for War, Admits Wolfowitz', *The Independent*, 30 May 2003; Rasmussen, *The Risk Society at War*, pp. 123-9.

capabilities has been problematic. Security studies scholars Sharon Caudle and Stephan de Spiegeleire observe that:

The [risk] assessment itself is broadly accepted, but translating priorities into capability requirements remains difficult—for reasons of methodology and bureaucratic politics. ... The Netherlands ministries are independent, but security requires their interdependent action, even though they may secure national security funding for their issue areas. An overall need is for each ministry to trust the other as the *Work Programme* is implemented and be able to see the connections they all have to security instead of stove-piped responses to their own responsibilities.³⁹

The British National Security Strategy that also uses a risk management approach was similarly determined to have problems in the setting of resource priorities.⁴⁰ With only limited Ministerial buy-in to the National Security Strategy and budgets held by individual ministries, a major “debate is how to relate resources to the strategy”.⁴¹

Inertia may be the easiest option. The balance between the various risks is difficult to determine in any quantitative way and for many states it may be politically, economically and socially easier to simply retain the status quo resource allocation. The extant resource distribution reflects past difficulties and bureaucratic battles and thus the onus of proof is on those who would propose that new risks are more likely and more terrible than the old proven harms. Disrupting an old order can lead to bureaucratic dissension and inside experts marshalling domestic constituents. Moreover, being by its nature scenario-based, a risk management approach can be bureaucratically gamed with the probability and impacts of a risk eventuating adjusted to give the departmentally desired resource allocation. In a risk management approach staying with the current prioritisation may be the easiest and—given no one knows if a risk may eventuate or not—the most appropriate of all.

Thirdly, the three conceptual approaches have different implications for the overall quantum of resourcing. The concept of grand strategy is built around the assumption that a state has limited resources that need to be focused on specific and articulated needs. This suggests it is most appropriate for

³⁹ Caudle and Spiegeleire, 'A New Generation of National Security Strategies', p. 11.

⁴⁰ Mark Phillips, 'Policy-Making in Defence and Security', *The RUSI Journal*, vol. 157, no. 1 (February/ March 2012), pp. 32-3. Note that this discussion here relates to prioritising scarce resources not to the size a budget should be. The UK Government's assessment that the principal threat to national well-being was economic led to a decision that the British Defence budget would be reduced by 7.5 percent in real terms from the previous year. This guideline shaped the 2010 National Security Strategy but did not in itself determine the priorities for the reduced funding. Paul Cornish and Andrew M. Dorman, 'Smart Muddling Through: Rethinking UK National Strategy Beyond Afghanistan', *International Affairs*, vol. 88, no. 2 (2012), p. 215.

⁴¹ Caudle and Spiegeleire, 'A New Generation of National Security Strategies', p. 17.

states with constrained resources including, some have suggested, states with declining resources.⁴²

Risk management on the other hand implicitly assumes a well-resourced state. The conventional approach is to make a list of threats, rank them and then fund the mitigation of those risks for which there is sufficient resources. All risks inherently cannot be addressed as US Defense Secretary Bob Gates in addressing how large the US defence budget would need to be to mitigate every risk observed: “Nobody lives in that world ... you are never going to get to zero threat. You could spend \$2 trillion and you’d never get to zero threat.”⁴³ At the other extreme, without significant resource availability most risks will go unaddressed making the logic of this approach tenuous. In this, risk management does not actively seek a better future order where these risks are eliminated and so they will reoccur, or at least reappear on the risk list indefinitely. The approach of not taking positive action to eradicate the identified risks—continually treating the symptom not the cause—is inherently resource intensive. In the matter of how much is enough, in risk management there is, almost by design, never enough.

Opportunism though can have the least resource requirements. The state can leverage off another’s efforts and contribute only what it wishes to from what it has available. Opportunism is inherently a matter of choice so an opportunistic state can do as much or as little as it wishes in some particular situation depending on the outcomes it seeks.

Fourthly, there are differences in the degree of coherence across a government or a society that the three conceptual approaches can bring, with grand strategy inherently offering more than opportunism and risk management can. A grand strategy is purposefully constructed as “the overall mosaic ... [that] provides the key ingredients of clarity, coherence, consistency over time”.⁴⁴ As a grand strategic concept cascades downwards though a governmental hierarchy, objectives and goals become progressively more narrowly and more precisely defined as a way of directing and controlling the subordinate levels.

In a grand strategy the ways and the ends are elaborated upon; opportunism and risk management though have no ‘ways’ and no defined ‘ends’, they simply address the means. This is not to say that given a national security approach of opportunism or risk management that coordination between the various Departments of State in terms of how they manage their respective means is not possible. Such coordination though being bottom-up and

⁴² Hew Strachan, ‘Strategy and Contingency’, *International Affairs*, vol. 87, no. 6 (2011), pp. 1283-4.

⁴³ Gates quoted in Philip Ewing, ‘Standing Alone’, DoD Buzz, Friday, 17 February 2012, <<http://www.dodbuzz.com/2012/02/17/standing-alone/>> [Accessed 22 April 2012].

⁴⁴ Gregory D. Foster, ‘Missing and Wanted: A U.S. Grand Strategy’, *Strategic Review*, vol. 13 (Fall, 1985), p. 14.

based around pre-determined resource allocations is at the more tactical level of administration and may be relatively ineffective. A recent assessment of current national security coordination activities between Australian federal departments determined that high-level guidance and ministerial buy-in was essential.⁴⁵ This guidance and buy-in is gained potentially more readily from the grand strategy approach with its top-down and prioritised resource distribution method of imposing coherence.

The vexed role of the Australian defence industry can further illustrate this difference in imposing coherence. A grand strategy determines where local industry fits into the overall scheme and how it should be exploited and developed; defence industry for better or worse is driven by the grand strategy, as are the Departments of State. Under opportunism though that involves fitting into others' plans, the stress is either on having a broad set of means (albeit thin) and so favouring the lowest cost solutions available globally, or in having a smaller set of capabilities (albeit deeper) able to easily plug-and-play with another's force structure and therefore favouring purchases from the state whose grand strategy is being exploited. Risk management is somewhat similar in that if extensive risk lists are chosen, then low cost solutions globally sourced may be favoured, but if few risks are identified and there are some particular aspects unique to Australia, local industry may be selectively engaged. In comparing the alternatives, under a grand strategy approach local industry is driven by the articulated national objectives whereas in the opportunist and risk management approaches industry is driven more by the concerns of the individual sub-national strategies of the lower level Departments of State. Imposing coherence across government and society is easier under a grand strategy organising construct.

Lastly, there is a marked difference in intellectual requirements. Grand strategy is intellectually taxing, not just in the formulation stage but also in the on-going implementation as this is continuously reviewed and adjusted to keep 'the ship of state' tacking towards the desired landfall. In putting grand strategies into practice the initial thinking needs to continually evolve as circumstances change; a grand strategy should always be considered a work-in-progress as it progresses towards its goal.⁴⁶ Strategic analyst Frederick Kagan observes that:

[A] grand strategy is ... not a plan, but a process of ... developing clear objectives, understanding available resources ... and then putting resources against tasks in an iterative fashion, adjusting objectives, approaches, and

⁴⁵ Rodger Shanahan, *An Idea in Good Currency: Collaborative Leadership in the National Security Community* (Canberra: National Security College, November 2011), p. 35.

⁴⁶ Henry Mintzberg and James A. Waters, 'Of Strategies, Deliberate and Emergent', *Strategic Management Journal*, vol. 6 (1985), p. 271. Importantly, though this progressive evolution is different to opportunism, which has no specific 'ends'. Changes made to a grand strategy as it is implemented over time reflect improvements made to the 'ways' (the courses of action) employed, not a change in the desired 'ends'.

resource allocation as appropriate to the changing situation. ... The development and execution of grand strategy is ... a process of continuous adaptation.⁴⁷

Few states however, have readily available the educated and skilled staff able to achieve such a protracted intellectual effort.

By comparison opportunism is simpler in relying upon other states to provide the intellect although the opportunist state needs to be mentally and politically agile when the time comes to both be in synch with the other state's grand strategy and to try to achieve some of its own desires as well. Risk management is easier again needing only the periodic compilation of possible risks, no need for continual strategic adjustment to keep on-course and a simple focus on means almost independent of external factors.

Which Should Australia Choose?

The three different national security conceptual approaches have different purposes, assumptions and implications. The choice of which to apply depends on the context and the judgment of the policymakers involved however this is a real choice with real consequences. The three distinct organising constructs each have differing objectives, usefulness in prioritising resources, overall resource requirements, ability to impose coherence across government and society, and necessary levels of skilled people to formulate and implement.

In the Australian context the present development of a White Paper on how to respond to the economic growth of Asia is instructive. The terms of reference of this forthcoming paper suggest it will take an opportunist conceptual approach; these terms state that:

The focus will be on opportunities to increase the economic and other net benefits to Australia from the global economic and strategic shift to Asia in the short, medium and long term.⁴⁸

Asia, in particular China, is gaining significant economic power relative to Western nations and Australia is seen as needing to position itself to maximise its benefits from this. Chinese growth is seen as no accident rather being a deliberate, purposeful transformation.⁴⁹ The Asian White Paper therefore seeks to determine the policy settings that will allow Australia to take best advantage of the successful Chinese grand strategy.

⁴⁷ Frederick W. Kagan, 'Grand Strategy for the United States', in Michèle A. Flournoy and Shawn Brimley (eds.), *Finding Our Way: Debating American Grand Strategy* (Washington, DC: Center for a New American Security, June 2008), p. 63.

⁴⁸ Australian Government, *Australia in the Asian Century: Issues Paper* (Canberra: Commonwealth of Australia, December 2011), p. 16.

⁴⁹ Australian Minister for Foreign Affairs Kevin Rudd, 'The Prospects for Peace in the Pacific: The Future of the Expanded East Asia Summit', Speech to the Asia Society, New York, 13 January 2012.

In reacting to China's economic growth the stress, as the opportunist approach would recommend, is on developing the means through deepening and broadening them. The Issues Paper advises that for Australia the

task is to reinforce our strengths, while also expanding our areas of comparative advantage in new sectors and markets. We will need to adapt and innovate ... as well as building new skills and capabilities.⁵⁰

This is very much a means-centred organising construct where Australia is responsive to the actions of others.

The Issues Paper notes that the Asian White Paper will in time be complemented by other reviews including the Cyber White Paper and the next Defence White Paper. Certainly it would be advantageous for any future Australian National Security Strategy to be similarly compatible with the Asian White Paper, rather than working at cross-purposes to it. Opportunism would then seem to be favoured in a future National Security Strategy. Pragmatically, opportunism offers great flexibility as no far-reaching, long-term policies need be adopted, instead policymakers can wait and make quick, short-term decisions when the facts are more fully known; intrinsically difficult decisions on ends and ways can be deferred to later times and other policymakers.

In seeking to take advantage of events and exploit the grand strategies of others though a central decision is who to join? Such decisions could be left open to evolve and emerge as circumstances dictate; in other words to adopt British Prime Minister Lord Palmerston's position of "Nations have no permanent friends or allies, they only have permanent interests". Alternatively, the national security strategy could choose another state's grand strategy in the near-term thereby gaining some certainty, but at the cost of perhaps not being able to switch and make use of some different state's grand strategy later. To extend Foucault's metaphor, changing ships of state while tacking could be perilous. Making a decision either way though has significant implications for the development of the means to be either a broad, thin set of capabilities or a narrower, deeper, set.

There is an implicit sense that Australia has already made this choice and determined to join America's national security strategy in particular as this relates to the core matter of China. This could be difficult as the Chinese grand strategy is held to be at odds in many respects with the emerging American national security strategy.⁵¹ Aligning the Asian White Paper with China and the Australian National Security Strategy with the United States looks intrinsically problematic while a nascent 'security dilemma' is building

⁵⁰ Australian Government, *Australia in the Asian Century*, p. 12.

⁵¹ Kevin Rudd, 'The Prospects for Peace in the Pacific'. For the emerging American national security strategy see: Department of Defence, *Sustaining U.S. Global Leadership: Priorities for the 21st Century* (Washington, DC: US Department of Defense, January 2012).

between the two nations.⁵² There are real tensions in simultaneously seeking prosperity from China and security from the United States using two disconnected opportunistic approaches that seek to exploit both nations. Adopting this type of organising construct for a future Australian national security strategy seems to present real difficulties in terms of incoherence with other national objectives. There is a viable opportunist approach sub-option however, in deliberately choosing a middle ground between China and the United States while awaiting events that make it clearer whom to exploit and then orienting opportunistic national prosperity and security strategies around that decision. Australian strategic and political culture would though find this sub-option quite challenging to conceive and implement.

Considering the other approaches, a risk management solution may appear the easiest, depending on the risk chosen. From a national security strategy viewpoint, choosing the single risk of attacks on Australia is the least controversial although it strains credibility in some dimensions. While some attacks such as those using cyber means may be a realistic risk to address, for many years a military attack has been seen as barely credible; with the steady deepening of democracy in Indonesia it has become even more so.⁵³ Such a risk management approach may expend significant resources on developing unnecessary means and provide little tangible benefit; is this the best use of scarce national resources? Risk management approaches are difficult to evaluate and to hold decision-makers to account unless the risk is realised, making this approach politically and bureaucratically attractive, albeit suffering from a democratic deficit.⁵⁴

By default then a grand strategy approach is favoured however, as has been discussed this is a complex endeavour that makes some substantial, ongoing intellectual demands. An advantage though in using this approach is that a national security strategy could be developed that was compatible with both the Asian White Paper and the emerging American national security strategy. Importantly, the goals of prosperity and security are actually complementary and interrelated and should not be in conflict; a grand strategy approach could resolve this contemporary dilemma. There is also a possibility that Australia may end up where the country wishes to be in the future, an outcome that would only be serendipitous using either of other

⁵² The term's originator John Hertz explained that in a security dilemma situation states "Striving to attain security ... are driven to acquire more and more [military] power in order to escape the impact of the power of others. This, in turn, renders the others more insecure and compels them to prepare for the worst. Since none can ever feel entirely secure in such a world of competing units, power competition ensues, and the vicious circle of security and power accumulation is on." John H. Herz, 'Idealist Internationalism and the Security Dilemma', *World Politics* vol. 2, no. 2 (January 1950), p. 157.

⁵³ Australia is now ringed by democratic states and, while some may be fragile, almost the only 'truism' of international relations theory is that democracies do not attack other democracies.

⁵⁴ Rasmussen, *The Risk Society at War*, pp. 137-40. Edmunds, 'British Civil-Military Relations and the Problem of Risk'.

two approaches. While the formulation and ongoing development of a grand strategy would face political and bureaucratic headwinds, the potential returns on the investment may be worth the trouble.

The first major issue to be considered when devising a national security strategy is not the strategy but rather which conceptual approach is to be adopted: grand strategy, opportunism or risk management. In deciding on an organising construct, the key question for policymakers is whether they see the Australian ship of state as being captained towards some desired landfall, exploiting favourable winds, or simply avoiding damage from the sea's elemental forces. Upon this fundamental decision rests the form, nature and usefulness of the first Australian National Security Strategy.

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