The ADF beyond Afghanistan – four possible scenarios

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In 2012, therefore, we look at the high probability that operational tempo will decline in the next few years and that we could relive the ‘great peace’ of 1972 to 1990. These changes will bring new challenges to the ADF, challenges compounded by the increasing pace of change in our neighbourhood and the budgetary constraints that we face.

General David Hurley, Chief of Defence Force, 2012

In his address to the Lowy Institute for International Policy in May 2012, General David Hurley discussed the challenges facing the ADF. While the drawdown of Australia’s commitment in Afghanistan and the cessation of operations in both the Solomon Islands and Timor marks a step-change in the tempo of ADF deployed operations, a period like the ‘great peace’ of 1972 to 1990 is by no means a certainty.

This article will examine four possible scenarios that the ADF could find itself facing, using a spectrum of security challenges and a range of defence budget outcomes as the two key variable factors, as summarised in Figure 1. The analysis will focus on the strategic and budgetary conditions that form the basis of each scenario, as well as the potential impact on the ADF and the risks therein.

A ‘great peace’

The prospect of a ‘great peace’ is probably not the most likely of the scenarios. It would require a relatively benign and stable strategic environment, particularly in Australia’s immediate region of interest, making it difficult for the government-of-the-day to justify increased or even current levels of defence spending. In this scenario, ADF capabilities are either very slow to be modernised or, in some cases, at risk of disappearing altogether.

Australia’s immediate area of strategic interest, the Indo-Pacific, is still emerging as a geostrategic system. The nature of potential threats are difficult to predict but there are likely to be fewer wars fought to redesign the borders of nation states and more tensions arising from the protection of national interests and supply of natural resources. Transnational or non-traditional security threats are also gathering momentum, including from piracy, offensive cyber activities and illegal fishing, through to demographic shifts, water shortages, potential pandemics and the effects of climate change.
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In such a scenario, the role of an expeditionary force is much diminished. There is little need for regular forces trained for a broad range of missions; little requirement for transport, communications and logistic capacities; little requirement for the ancillary services, such as medical and dental support, fuel and water handling, and so on. The priority becomes the development and funding of a classic territorial defence force, designed to operate on or around its national borders. Such a force delivers substantially more 'shop window' combat capability per dollar because it is not burdened with the high overheads of deployability and military self-sufficiency. The defence budget is thus able to be reduced in real terms, as has happened before.

The end of the volatile Sukarno era in Indonesia and the emergence of a relatively benign near region after the end of the Vietnam War contributed, by the early 1970s, to a shift in Australian government policy away from regional and international force projection. In 1976, a newly-elected government issued a Defence White Paper that explained Australia's changed strategic circumstances and emphasised force projection into the 'neighbourhood' rather than 'some distant or forward theatre'.

The prevalent strategic thinking was that Australia's national security should be predominantly concerned with defence of the mainland against state actors. This led to an investment in capital equipment to defend the air-sea gap but allowed a run-down of the Army, the Reserves and the national capability to deploy and sustain an armed force.

The implications of this approach were brought into stark reality when, in 1999, the ADF deployed to East Timor, ending 'the great peace'. Despite UN resolutions and eventual support from 22 nations, Australia's initial deployment had to rely on existing capability that 'proved to be just over the line' to deal with a lightly-armed militia. In the decade following that shock, Australia regenerated its military capabilities through deliberate investment.

The current National Security Strategy, like the 'defence of Australia' policies of the 1980s, assumes that there will be time to prepare for conflict against a state actor and that there will be time to put in place and train the 'expeditionary tail' required to sustain combat forces deployed away from national support service infrastructure.

Recent experience shows that the requirement for deployments such as East Timor (or the French in Mali) arise at very short notice, meaning that the ADF will deploy with whatever it has available. The risk of assuming away the problems of the region is that Australia could find itself in a position where it simply does not have the time to regenerate its military capability before a crisis impacts Australia's national interests.

In both the 2009 and 2013 Defence White Papers, there has been a strong focus on procuring modern air and maritime equipment but much less investment in the land environment. There is a real danger that, if continued, such unbalanced priorities might see Army losing its technological edge—and all three Services losing knowledge and hard won operational skills.

Strategic risk

Rather than assuming a long period of peace, the 2013 Defence White Paper describes the increasingly contested nature of Asia-Pacific and Indo-Pacific tensions and relationships, with China rising, the US rebalancing its attention to the Asia Pacific, and Japan, India, and other middle powers seeking to redefine their defence strategies.

As one of those middle powers, Australia—in its most recent Defence White Paper—has sought to protect and promote its national interests through a combination of a close US alliance, a range of Asian and South Pacific security partners, and a relationship with China based on mutual respect. Defence diplomacy has received a new emphasis, reinforcing the idea that we ‘must seek our security in the region, rather than defending ourselves from it’.13
However, the 2013 Defence White Paper has already been heavily criticised for its less-than-transparent approach to funding, and the ‘absence of an investment plan to execute its policy and strategy objectives’. A detailed analysis by the Australian Strategic Policy Institute (ASPI) in 2012 contends that since the 2009 Defence White Paper, the defence budget has been reduced by A$10 billion, a further A$10 billion has been deferred from the forward estimates to ‘later years’ and A$4 billion of cost pressures has been imposed through absorbed costs and hand-backs. Depending on how the deferrals are treated in future budgets, Defence will have ‘lost’ between A$14 billion and A$24 billion over 10 years. Australia’s defence spending is now 1.56 per cent of GDP, the lowest level since the 1930s. And yet the 2013 Defence White Paper reiterates that the Government remains committed to delivering the core capabilities identified in the 2009 Defence White Paper.

The 2013 Defence White Paper does not acknowledge that there might be a link between the two themes. Diplomacy is cheaper than military capability, so some might argue that although the ADF cannot afford all the insurance it would like in the form of ‘hard power’ defence capability, it may compensate a little by increasing use of ‘soft power’ diplomacy. After some carefully balanced and sophisticated analysis of US-China relations, the paper briefly considers how the wider strategic environment in Asia is steadily deteriorating, suggesting this may not be the best time for Australia to be under-investing in defence.

One criticism of the 2009 Defence White Paper was that it ‘spoke loudly whilst holding a small stick’, in that it annoyed China, yet did not actually fund a potent and balanced Australian defence capability. A senior Lowy Institute commentator has likened the 2009 Defence White Paper to a red rag but the 2013 Defence White Paper to a white flag.

By recognising that the strategic situation, especially in the Asia-Pacific region, is unstable and uncertain—and yet not funding defence to the level required—Australia has decided to take a strategic risk. It may be that investment in other priority areas, such as education and health, will do more to promote Australia’s national interests over the next decade than investing in defence. Or it may be that Australia may look back after the next crisis (assuming it is able to) and wish it had invested in a much better ‘insurance policy’ from defence.

What would it be like to be ‘over insured’?

To understand the dynamics at play, it is useful to examine an opposing world view. Compared to the ‘strategic risk’ scenario, the opposite end of both the strategic security and the defence budget position is a scenario where Australia benefits from a relatively benign security environment, and yet the ADF has a large defence budget.

Even the rather gloomy 2009 Defence White Paper admitted that the conventional threat to Australia is low—and will remain so for the foreseeable future. China, India, Japan, North and South Korea, and Indonesia are the only nations likely to be capable of generating enough military capability to potentially destabilise the region for the next couple of decades. But given the strength of global economic interdependence, it could be argued that there is a major disincentive for any power to resort to hostile moves against anyone, let alone Australia.

Following that logic, does Australia really need the high-end capabilities envisaged in Force 2030, and that Government remains committed to delivering in the 2013 Defence White Paper? Of course, there are strong counter-arguments—similar reasoning on the pacifying effect of increasing globalisation of economies applied in the run up to 1914, and yet World War 1 still happened. Secondly, given ongoing tensions and rhetoric on sovereignty claims in the South China Sea, and ongoing tensions in the Korean peninsula, is it safe to assume a ‘rationalist’ approach by all nations in the region? However unlikely, in this ‘quadrant’ the setting is a benign security situation and a well-resourced ADF.
If successive governments do find the ability to fund the requirements of Force 2030, the ADF will be well equipped, and funded to activity levels that should enable the requisite training levels to be achieved and maintained. But by 2025 or so, in this scenario, we would have a well-equipped, well-trained ADF that is lacking any real direction or challenge, and the force does not get used, other than in defence diplomacy and in seasonal humanitarian assistance and disaster relief at home or in our near abroad. Familiar problems such as irregular boat arrivals, refugees, piracy and terrorism may not diminish but the ADF would have either a limited or a highly-specialised role in all those challenges, rather than finding a new raison d’être there in quiet times. In this scenario, the ADF will not have had a ‘proper’ fight since Afghanistan.

A well-equipped, well-trained and capable but un-blooded ADF may sound like the best of all worlds to a civilian. Inside the ADF, the ‘wicked problem’ to be solved would all be about the inter-play between hard training, turnover, focused retention and, above all, how to maintain a hard-edged fighting spirit in such times. It may well be much better to be lean and mean, than fat and jolly.

**Rising to the challenge**

The fourth scenario would see a properly resourced and balanced ADF, with the requisite capabilities to respond effectively to the full spectrum of potential threats in what is acknowledged to be an increasingly complex and contested strategic environment. The currently-envisioned structure, as set out in Force 2030, would be dominated by four major cost programs: 12 long range conventional submarines, 100 Joint Strike Fighters, two LHD amphibious assault ships and Army’s Plan Beersheba (including Project Land 400). Whether this is a perfect structure or one perhaps that is heavily weighted towards the high end of conflict is debatable.

To achieve this scale of modernised capabilities, the defence budget would need to be made robustly affordable in terms of both the forward estimates and the longer term. While there is no fixed ‘magic ratio’ between the costs of capital investment, manpower and operating costs, most allied militaries divide their costs roughly between the three. The Australian defence budget has become unbalanced by a shortfall in capital investment, and it is this component which would need to be restored to generate the envisaged Force 2030 capabilities. A broad order of magnitude of the required investment to achieve Force 2030 would be to increase defence spending, immediately, to around 2 per cent of...
GDP, which could generate Force 2030 by the roughly envisaged timescale.24

Conclusion

This article has assessed four potential scenarios for the future, differentiated by the strategic security situation and Australia’s investment in the ADF. It would be hard to imagine a realistic scenario in which the defence budget envelope is significantly enhanced; equally difficult to envisage is a scenario where the strategic environment is so benign as to be described as a ‘great peace’.

Arguably the remaining scenario, strategic risk, is both the most realistic and most dangerous course of action—a defence force operating in an unstable security environment within the constraints of a tightly-controlled budget envelope.

In acknowledging this fact, perhaps it is time to reassess the envisaged future force structure to better reflect the likely requirement. Most importantly, in considering the nature of warfare and the shape of the ADF after Afghanistan, every attempt should be made to avoid the assumption that because of trending shifts in political, strategic or budget assumptions, our past experiences have little relevance. Most of Australia’s recent military operations have involved deployed forces, with significant land components, seeking to engage, influence and protect communities from a spectrum of threats from non-state actors, including in Somalia, East Timor, the Solomon Islands and Afghanistan.25

Captain Brown graduated from Sandhurst in 1998. She served with the ACE Mobile Force in Norway and Turkey; a REME Battalion in Germany; in a Training Regiment; operations officer in HQ Northern Ireland; battery operations officer in Cyprus; officer-in-charge of an Armoured Infantry Battalion workshop; and then Adjutant of a REME Battalion.

Promoted Major, she served as SO2 Psychological Operations in the Coalition HQ in Basra, then completed the UK Intermediate Command & Staff Course. After 3 years in the City of London with Barclays Wealth and Bank of America Merrill Lynch, she emigrated to Australia in 2012. As a lateral transfer to RAEME, she was serving in 7 CSSB in Brisbane at the time of writing. She has a Masters of Engineering from Cambridge University, and is a UK and Australian Chartered Professional Engineer.
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Notes

1 This article was published in Issue No. 191 of the ADF Journal in 2013.


3 The ‘great peace’ refers to a lengthy period in which the ADF saw no combat after withdrawal from Vietnam in 1972.


11 Department of Defence, Defending Australia and its national interests, pp. 7-15.

12 Department of Defence, Defending Australia and its national interests, pp. 29 and 56.


15 Thomson, ‘The cost of defence’.

16 Department of Defence, Defending Australia and its national interests, p. 3.

17 The opposite of President Roosevelt’s advice, in his speech at Minnesota State Fair, 1901.


19 Department of Defence, Defending Australia and its national interests, p. 3.

20 Australian Government, Strong and secure, p. 3.


23 Colonel (Retd) Peter Brown, ‘Some defence budget ideas from the UK’, unpublished paper from Centre for Defence and Strategic Studies course, Australian Defence College, 2012.

24 While both sides of Australian politics claim to aspire to an eventual return to defence spending around 2 per cent of GDP, neither is making that a priority in the current election year, with the May 2013 budget forecast stating this as the intent ‘by 2023’: see, for example, David Watt and Alan Payne, ‘Trends in defence expenditure since 1901, 2013-14 budget review’, May 2013, Australian Parliament House [website], available at <http://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/BudgetReview201314/DefenceExpenditure> accessed 24 May 2013.

25 It may be harder to accomplish such engagement and influence at 30,000 feet or from a submarine.