Introduction

This paper examines the Australia - United States security relationship, in particular our alliance under the Australia-New Zealand-United States (ANZUS) Security Treaty of 1951, from the perspective of Australia’s defence policy. There are, of course, many strands to our bilateral relationship. These go well beyond the official relationship between Canberra and Washington and encompass the full spectrum of people-to-people linkages between our two countries in areas such as commerce, finance, tourism, culture, science and technology and education. It is in the defence field, however, that our two countries have forged an exceptionally close relationship in recent years which requires more thoughtful and balanced attention than is sometimes apparent in public debate on strategic issues. From a defence point of view, the alliance today has a comprehensive character which, despite our size disparities, generates significant and increasing benefits for both sides.

The alliance is founded on enduring shared values, interests and strategic outlook, as well as common sacrifices that extend back almost a century. When ANZUS was originally established and developed in the 1950s and 1960s, it reflected our mutual awareness of the challenges that we faced in the Asia Pacific region, and the benefits we stood to gain by cooperation. In recent years, however, the alliance has taken on a more global perspective and has looked beyond the Asia Pacific region. This expanded horizon will be one of the principal themes of this paper.

For Australia, the alliance enhances our defence capabilities and continues to play a critical role in maintaining strategic stability in the Asia Pacific region. It is as central and tangible to our national security as other key strategic assets such as our ships, submarines, aircraft and land forces. The alliance gives us access to crucial strategic capabilities which we would simply not otherwise have in our national armoury. For the United States, Australia is an important ally because...

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we are a key partner in regional security efforts and an increasingly important contributor to coalitions. The alliance adds significant value to the United States’ strategic posture in the Asia Pacific region and, increasingly in the aftermath of the attacks in 11 September 2001, in the Middle East and Central Asia.

The expanded horizon of the alliance has emerged in recent years, specifically after the attacks of September 2001. The Sydney Statement released after the 1996 Australia United States Ministerial Meeting (AUSMIN) specifically noted that ANZUS is a crucial element in the United States’ permanent presence in the Asia Pacific region. Of course, Australia has consistently been a strong advocate of the American military presence in the Asia Pacific, including forward-deployed US forces, access arrangements and exercises. Increasingly, however, the success of US-Australian defence cooperation has transformed the ANZUS relationship into “a security relationship that is now regarded by the Bush administration as one of the significant components of US global strategy”.

This paper examines the alliance through the defence lens by looking at: the foundations of the defence relationship in the 1940s and 1950s; the evolving role of the alliance in Australia’s defence policy; recent achievements in the defence relationship under the Howard Government; and, finally, a framework for thinking about the future of the alliance from a capability-focussed point of view.

### Foundations of the Alliance

The close defence relationship that has emerged between Australia and the United States over the last half-century might seem natural, and in light of our combined efforts in the Second World War in the Pacific, perhaps even inevitable. But as the Foreign Minister, the Hon Alexander Downer MP, pointed out in 2001 when launching the volume of official Australian Foreign Policy Documents on the ANZUS Treaty, the signing in September 1951 of the Treaty, and the establishment of the bilateral security arrangement, was “by no means a foregone conclusion”.

The United States was at the time hesitant about entering into security commitments in Asia and the Pacific. It was more concerned with the need to rebuild Western Europe and to secure it in the face of the threat from the Soviet Union. It was to the credit of the Menzies Government, and in particular the efforts of the Minister for External Affairs, the Hon Percy Spender MP, that concerns regarding a formal security arrangement with Australia and New Zealand on the part of the Truman Administration were overcome, as were the sensitivities of the British Government.

This seminal achievement of Australian diplomacy in 1951 should not be underestimated. There had been previous attempts by Australia to develop strategic linkages with the United States. Australia’s embrace of President Theodore Roosevelt’s ‘Great White Fleet’ in 1908 was an early attempt at military contact which rapidly dissipated. Australians fought together with Americans on the Western Front in the First World War, with four companies of Americans joining the Australian attack at Le Hamel in July 1918. But for three decades...
there was little in the way of defence and security links until, in the desperation of 1939-41, Australia was willing, as Peter Edwards has written, “to look to the United States, but as a support for the British Empire, not as a substitute source of security”\(^6\). Even Prime Minister Curtin’s famous statement of December 1941 that Australia ‘looks to America’ did not, as is sometimes portrayed, form the genesis of an enduring Australian-American security relationship.\(^7\) Its initial effect was largely extinguished towards the end of the Second World War, as the strategic focus of the campaign against Japan shifted north and Australians felt more secure. Consequently, what today is an indispensable element of our national security arrangements had to be set in place after the war through proactive diplomacy.\(^8\)

Since its establishment in 1951, the alliance has gone through quite distinct phases. Initially it was managed within the framework of the early Cold War environment of the 1950s and 1960s, culminating in the commitment by Australia to the Vietnam War. Australia then reevaluated its approach to the alliance in light of the post-Vietnam developments in the United States’ strategic policy of the 1970s - with the Australian Government announcing a defence policy of self-reliance in 1976, which was further developed in 1987.\(^9\) That is, Australia formally embraced a policy of not relying on the combat forces of any other country for its direct defence, including the US. The alliance continued to evolve through the revived Cold War tensions of the 1980s, into the post Cold War period after the collapse of the Soviet Union in 1989, and, now, following the terrorist attacks on the continental US in 2001.\(^10\)

Over this 55 year period, the alliance has evolved and been re-fashioned in emphasis, but its fundamental structure, weight and depth has not altered to any significant degree. Since 2001, however, the Government has taken the security relationship to unprecedented levels of intimacy and, indeed, interdependence. The specifics of these efforts are discussed later in this paper.

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The Role of the Alliance in Australia’s Defence Policy

In terms of our contemporary defence policy, the alliance works at three closely connected levels, which the Government described in the 2000 Defence White Paper.12 First, there is a vast array of bilateral cooperation activities in the practical daily business of defence-to-defence activities between the two countries. Training, exchange and exercise opportunities bring our defence personnel together literally every day of the year. Various arrangements established since the Second World War have given Australia exceptional access to US military technology and intelligence, including highly critical and very sensitive areas that give us a vital edge in operations. As the 2000 Defence White Paper said, ‘[t]he kind of ADF that we need is not achievable without the technology access provided by the US alliance’.13 These forms of practical cooperation will continue to grow over coming years, especially if the present momentum in the relationship is maintained. As the 2000 Defence White Paper indicated - and this has since come to pass - technology offers us new opportunities to work together, and to deepen our defence cooperation in many areas. It also provides new imperatives to achieve closer integration and interoperability of our defence capabilities and systems. In an era of high technology warfare, effective alliances will need systems that can operate seamlessly in real time. Those systems will need to be built in peacetime if they are to be of value in a crisis.14 The two defence organisations have been building these linkages at an accelerated rate since these words were written in the 2000 Defence White Paper, and - more importantly - have been testing these interoperable capabilities and systems in the field, on operations. This is something to which the paper will return later.

Second, our alliance works at the regional level in the Asia Pacific region. One of the main benefits that Australia continues to seek from the alliance is the support it gives to sustained US engagement in the Asia Pacific region. From the United States’ point of view, the alliance is one of the key elements of its network of Asia Pacific bilateral alliances that also includes Japan, the Republic of Korea, Thailand and the Philippines, as well as close defence relationships with other important regional powers such as Singapore. Australia strongly supports continued engagement by the US in the region through this network of alliances and close strategic relationships, as this serves regional stability (and therefore our strategic interests and policy objectives) and complements our commitment to a cooperative approach to Asia Pacific regional security.15 Regardless of how expansive our defence activities with the United States become, this bedrock of supporting sustained US engagement in the Asia Pacific region will endure.

Third, the alliance is founded on our mutual undertakings to support each other in time of need.16 These undertakings are stated clearly in the ANZUS Treaty, and the key extracts warrant repetition here:17

Article II
In order more effectively to achieve the objective of this Treaty the Parties separately and jointly by means of continuous and effective

self-help and mutual aid will maintain and develop their individual and collective capacity to resist armed attack.

Article III
The parties will consult together whenever in the opinion of any of them the territorial integrity, political independence or security of any of the Parties is threatened in the Pacific.

Article IV
Each Party recognises that an armed attack in the Pacific Area on any of the Parties would be dangerous to its own peace and safety and declares that it would act to meet the common danger in accordance with its constitutional processes...

Article V
For the purpose of Article IV, an armed attack on any of the Parties is deemed to include an armed attack on the metropolitan territory of any of the Parties, or on the island territories under its jurisdiction in the Pacific or on its armed forces, public vessels or aircraft in the Pacific.

The undertakings do not of themselves commit either of us in advance to specific types of action, but they do provide ‘clear expectations of support’ as the 2000 Defence White Paper stated.18

Australia views these undertakings very seriously. If Australia were attacked, the United States could be counted on to, and would no doubt, provide substantial assistance. This would include armed force if the circumstances warranted such a course of action. But the clear policy of the Australian Government is that Australia would not depend on an obligation of US assistance to the extent of assuming that US combat forces would be provided to make up for any deficiencies in our capabilities to defend our own territory. The alliance is not a relationship of dependency, but one of mutual help between parties able and willing to do their share. It is the Government’s view that dependency would, in the long run, weaken the alliance, both in the eyes of Australians and Americans. For this reason self-reliance will remain an inherent part of our alliance policy, as it is of our defence policy more generally.19

It is worth exploring this connection between defence self-reliance and the alliance a little more closely, as it is too often assumed that these are contradictory objectives. Public discussion of the alliance for too long during the Cold War period was concerned with the so-called reliability of US strategic assistance in times of direct military threat to Australia. It would be fair to say that this was the central element of public discussion of the alliance in Australia throughout the 1950s, 1960s and well into the 1970s. This concern was brought into sharp relief by the so-called ‘Guam Doctrine’ expressed by President Nixon on 25 July 1969 when he stated the US’s expectation that allies in Asia would need to take increasing responsibility for their security requirements short of major threats. For Australia, the challenge taken up by Governments and their advisers in the 1970s was to define the level of our defence investment and capabilities as a US ally in the post-Vietnam War era, at a time of no direct threat to Australia.20

The policy of defence self-reliance settled this question. It recognised that the issue of whether direct US military assistance would be forthcoming would inevitably depend upon a variety of circumstances. These circumstances would include the United States’s strategic interests at the time of any direct threat or attack, the state of the bilateral relationship and, not unreasonably, American assessments of Australia’s performance in developing and employing its military capabilities for its own direct defence. For thirty years, this reality has been recognised by Australian governments and defence planners. Consequently, we have planned accordingly, and developed the modern Australian Defence Force (ADF) on this strategic basis.

Today, it continues to be the Government’s policy that the ADF’s primary role is to maintain the capacity to defend Australia from any credible attack, without relying on help from the combat forces of any other country, including the United States. This principle of defence self-reliance reflects, fundamentally, “our sense of ourselves as a nation”. But such a commitment to self-reliance certainly does not imply any lack of confidence in our relationship with the United States or any other ally. Nor does it suggest that we would not seek and expect help from the United States and other allies and friends in time of genuine need. It simply means that we should not rely on others having either the capacity or willingness to fight directly in our defence in all possible scenarios, especially if we have not made the effort to provide effectively the combat forces required for our own defence. Furthermore, self-reliance in no way precludes us from planning on a significant degree of non-combat support in times of need, especially in areas such as intelligence, logistics, supply and technology.

There is one important exception to this principle of Australian defence self-reliance, which needs to be mentioned. Australia does rely on the extended deterrence provided by US nuclear forces to deter the remote possibility of any missile-borne

nuclear attack on Australia. Although growing cooperation with the United States in missile defence, and the possible development by Australia of significant missile defence capabilities, would afford us a degree of limited protection in the event of a rogue nuclear missile strike, our policy recognises that it is only the extended umbrella of US nuclear forces that can provide us with a comprehensive deterrent protection against anything more substantial in terms of nuclear missile strike.

None of the above is to suggest obligations created under the alliance only apply to United States support for Australia in times of genuine need. As the events and aftermath of September 2001 showed, Australia’s undertakings under the ANZUS treaty to support the United States are as important for us to consider and plan for as are US undertakings to support Australia.

Australia’s invocation of the ANZUS Treaty for the first time following the September 2001 attacks demonstrated not only the relevance of the then 50 year old agreement, but also its flexibility in meeting new threats, far removed from our Cold War preoccupations in the Asia Pacific region which characterised the early years of ANZUS. Prime Minister Howard said the following in his statement to the House of Representatives on 17 September 2001:

“In every way, the attack on New York and Washington and the circumstances surrounding it did constitute an attack upon the metropolitan territory of the United States of America within the provisions of articles IV and V of the ANZUS Treaty. If that treaty means anything, if our debt as a nation to the people of the United States in the darkest days of World War II means anything, if the comradeship, the friendship and the common bonds of democracy and a belief in liberty, fraternity and justice mean anything, it means the ANZUS Treaty applies and that the ANZUS Treaty is properly invoked.”

Before closing this discussion on the role of the alliance in our defence policy, it is also important to explore the need for independent thought and action on our part within the alliance. Alliances should be, and ours is, a two-way relationship. We pride ourselves as Australians as being plain-speaking and independent-thinking, and we need to always be prepared to bring these qualities to the alliance. This will mean being, on occasion, a constructively critical partner of the United States. The alliance, and the close political relationship of recent years (especially at head of government level), provides us with excellent access to the most senior US decision-makers, and is a good basis for exerting a positive and valued influence on US thinking and policy - not only in relation to the Asia Pacific region but, more generally, in relation to the global campaign against Islamist terrorism. As the 2000 Defence White Paper stated, at times, the United States and Australia will differ in our approaches to issues, or on the priority we give them. When that happens, it is important that Australia maintains the ability and the resolve to pursue our interests from an independent perspective, and allow ourselves the opportunity to speak plainly with US interlocutors when necessary, as we are known to do.

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Recent Achievements in the Alliance

When the Coalition was returned to government in 1996, we promised to reinvigorate the Australian-American relationship generally, and the security alliance particularly. This commenced with the issuing of the Sydney Statement in July 1996, after the annual Australian-United States ministerial talks (AUSMIN). The Sydney Statement committed Australia and the US to working toward the following strategic objectives:

“Our Governments seek to work together, and with others in the region, to promote our common security interests. Our aim is to contribute to the development of a regional security environment which promotes democracy, economic development and prosperity, and strategic stability; forestalls the resort to force in international disputes; prevents the proliferation of weapons of mass destruction; and encourages cooperation to enhance the security of the region as a whole.”

As the alliance has developed from this point, it has taken on a more global character, without losing its relevance as a key element of Asia Pacific security arrangements. This has been accelerated in the aftermath of the attacks on the United States of September 2001, the subsequent war in Afghanistan, the conflict in Iraq, and as a consequence of the central position of the Middle East and Central Asia in the global campaign against Islamist extremism and terrorism. Notwithstanding this development of a focus beyond the Asia Pacific region, the alliance remains an important element in the strategic architecture of the region, helping as it does to sustain US strategic engagement in the Western Pacific.

Commentators and academics are beginning to recognise just how deep, broad and enduring was the shift in the alliance that was triggered by the events of 11 September 2001. Peter Edwards has written eloquently of the Government’s decision to invoke formally the ANZUS Treaty soon after that attack, with bipartisan support:

“In fifty years of debate about the meaning of the ANZUS guarantee, and the extent of the ‘Pacific area’ to which the treaty referred, it is unlikely that anyone had foreseen that ANZUS would first be invoked in response to an attack, not by a nation-state but by a shadowy group of Islamic extremists, and not against Australia or New Zealand but against the United States, in particular the north-eastern corner of the American homeland, far from its Pacific shore.”

Greg Sheridan has recently pointed out that since this 2001 invocation of the ANZUS Treaty and our combined military, intelligence and security efforts in Afghanistan, Iraq and elsewhere, the alliance has taken on a qualitatively different character. For the United States, the Australian Government has demonstrated shared values, shared strategic objectives, a common appreciation of mutual interests and, above all, a willingness to share political and military risk. Crucially we have demonstrated that we possess relevant and valued defence capabilities. In Mr Sheridan’s judgement, Australia has ‘moved up’ several notches in its alliance with the United States, to a point of intimacy and influence that we have not enjoyed before. He argues that Australia has worked hard to institutionalise much of the heightened closeness with Washington through even closer intelligence-sharing arrangements; new and more liberal protocols for the sharing of classified

information; placing significant numbers of ADF and intelligence personnel in US agencies and military commands; and heightened interoperability arrangements.\textsuperscript{29}

Rod Lyon has pointed out that Australia’s alliance with the United States in this respect is both typical, but also a leading example, of the trend in the post-September 2001 strategic environment. The trend is for the United States to transform established alliances and other security arrangements inherited from the Cold War into activities which are more like full-time enterprises and less like insurance policies. Such transformed alliances are better able to proactively shape an international security environment which is increasingly inhabited by non-state actors and rogue states willing to act in fashions contrary to international rules and norms.\textsuperscript{30}

These and other commentators are right to recognise a recent shift in the character of the alliance. In recent years, our capacity to act militarily in concert with the United States is no longer simply a matter of becoming more integrated and ‘interoperable’ (to use the defence jargon) in terms solely of the defence of Australia or potential operations in the Asia Pacific region. These foci from early years remain crucial in the alliance and our defence arrangements. What is now equally important is our ability to operate seamlessly with US forces, wherever our mutual interests determine that we should do so.

While many details of our increasing capacity to operate together need to remain classified, there are some recent examples of this increased integration that could usefully illustrate this point. These all stem from the new levels of intimacy and integration in the alliance that has emerged since 2001.

First, in the field of intelligence, surveillance and reconnaissance (or “ISR” in defence jargon), the sharing of information, capabilities and systems between our two countries has always been close. ISR is currently one of our highest priorities for interoperability with the US. In Australia, our ISR capabilities are increasing in terms of the quantity and quality of data we are able to gather from a wide range of sensors. Our ability to share this data with the US to develop a common picture of areas of mutual interest is the principal focus of our ISR cooperation.

The intelligence component of the alliance story is a fascinating aspect of our security relationship with the United States, and it warrants some detailed exposition, within security limitations. Australia’s close intelligence relationship with the US of course stands on the bedrock of historical experience. From the common interests shared during, and immediately after, the conclusion of the Second World War, the early stages of the relationship - particularly between the 1940s and 1950s - centred on the exchange of signals intelligence (SIGINT). This part of the relationship had already been well established as a critical capability in the victory against the Axis powers during the war. In recent years the intelligence relationship has become exceptionally close, to the extent that, in many areas of intelligence capability, Australia is for the United States the trusted sole provider of certain types of analysis, information and systems.

The exchange of SIGINT continued to be the primary element of the intelligence relationship until the 1970s, when there was an increased focus on the exchange of intelligence assessments. During this period, the two countries recognised

\textsuperscript{29} Sheridan, The Partnership.


that sharing judgments in the areas of foreign military readiness and disposition, scientific and technical developments, and military acquisitions, was a powerful strategic asset and military force multiplier.

As a result, the Defence intelligence agencies established the practices that today characterise the intelligence relationship - a sophisticated program of information sharing, working party discussions (augmented by video conferences), personnel exchanges, intelligence conferences, and the like.

Today the intelligence capability within Defence principally comprises a strategic assessment agency, the Defence Intelligence Organisation (DIO), and two collection agencies, the Defence Signals Directorate (DSD) and Defence Imagery and Geospatial Organisation (DIGO). Other important ISR assets are located within the Services and elsewhere.

The partnership that the three principal Defence agencies have with their US counterparts is vital to the fulfilment of the Defence mission, and remains crucial to supporting ADF deployments. Without it, the ongoing capacity to provide accurate and timely intelligence to decision makers and deployed forces - especially in theatres beyond South East Asia - would be significantly curtailed.

DIO has a close relationship with its counterpart US organisation, the Defense Intelligence Agency (DIA). While there has occasionally been a divergence of views over intelligence judgements, experienced intelligence officers - acknowledging the importance of contestability - view this as a crucial feature of the relationship. Importantly, Australia takes the lead in strategic analysis of military developments in South East Asia and the Pacific and is increasingly asked by the US to provide assessments on common operational theatres. We are also a lead partner in captured equipment exploitation. This effort supports policy decisions in the areas of scientific and technical analysis, employed with great effect during coalition operations in Iraq and Afghanistan. Australia also offers the US special access to a variety of technical testing and research facilities in Australia. These facilities are accredited to the highest standards - some of which are not found anywhere else in the world.

The division of SIGINT effort between Australia and the US agreed during the Second World War still remains, but the global nature of the communications environment today sees a greater overlap of responsibilities. Unlike in other regions, the US looks to Australia for all SIGINT in our region of principal coverage and does not duplicate the effort - demonstrating the regard in which Australia's capability is held. In its part of the world, Australia has an important and unique role to play - Australia, for example, is solely responsible for SIGINT on Islamist extremists in the region.

DIGO has strong links with its US partner organisation, the National Geospatial-Intelligence Agency (NGA). These agencies share national satellite reconnaissance imagery for national security purposes, while the organisations also cooperate on acquisition and production activities necessary for map production.

Perhaps the definitive example of integrated collaboration and intelligence effort is the Joint Defence Facility Pine Gap. Pine Gap continues to make a vital contribution to the security interests of both Australia and the US, and is an outstanding manifestation of the level of cooperation that has been achieved. The facility’s two principal roles - the collection of intelligence and the provision of ballistic missile early warning - have become more vitally important in recent years.
The level of intimacy, interdependence and integration to be found in our intelligence relationship demonstrates, perhaps more than any other area in the alliance, the nature of our global partnership. Already very close prior to 2001, our intelligence linkages have become virtually seamless.

A second example of increased integration within the alliance relates to information sharing policies, in particular, those that form the default protocols that are applied to the releasability of the classified information by one country in relation to another. In our case, Australia and the United States have decided that in relation to classified defence information relevant to our combined operations, there will be a presumption of release in our information sharing arrangements. This policy change has reversed the status quo that required such classified information to be cleared specifically for release between the two countries.

A third example relates to our personnel exchanges with US forces. Australia is one of the very few nations whose military personnel can be fully integrated with US forces, with the highest level of security clearances, and who have been entrusted with full operational control of US military personnel. ADF personnel have held the position of commander of the US-led naval task force in the north Arabian Gulf, have directed coalition (including US) air operations in the Combined Air Operations Centre in the Middle East and have held other very sensitive senior staff positions in various US headquarters.
The fourth example relates to the concept of ‘interoperability,’ which is the structured effort by two or more countries in an alliance to ensure that their forces can operate together seamlessly. In practical terms this means operating procedures, common communications links, common doctrine and standards, and compatible equipment. Both countries have worked hard to remove barriers to interoperability and to ensure that Australian and US forces can work together more effectively. In 2004, Australia and the United States agreed at AUSMIN on a Statement of Principles on Interoperability to guide the development of an interoperability implementation program, with progress and forward planning to be reviewed and endorsed at the annual AUSMIN meeting. This statement of principles seeks to improve interoperability between our armed forces by enhancing information exchange, collaborative planning, the conduct of combined operations, joint exercising, research, development, test and evaluation and technology sharing.

This effort is not some technical venture solely of interest to the experts. Interoperability today can mean the difference between victory and defeat on the battlefield. Since late 2001, ADF units and force elements have been able to participate in high intensity combat operations in the Middle East and Central Asia, operating almost seamlessly with US forces. In some engagements, our integration into US systems and networks has meant the decisive difference - including for US forces.

Central to interoperability are the personnel exchanges mentioned above and the extensive combined exercise program that exists between Australia and the US. High intensity exercises such as RED FLAG, RIMPAC and TALISMAN SABRE not only place commanders and operational planners together to gain and share experience, but also put tactical level war-fighters together in realistic high intensity training scenarios. To further facilitate this kind of high intensity training, Defence is working on the greater use of networked simulation technology through the Joint Combined Training Centre project. This kind of training will not only allow a greater number of scenarios to be exercised but will also provide a wealth of data for Australian and US forces to use in the planning and conduct of real world combined operations.

The fifth example relates to missile defence. In July 2004, both Governments endorsed a 25-year framework Memorandum of Understanding (MOU) that committed both countries to collaboration in the development of capabilities, technologies and systems for defences against missile threats. The threat to our region by the proliferation of ballistic missiles has been highlighted by North Korea’s June launch of a Taepo Dong missile. From an Australian perspective, the MOU allows us to explore practical ways, proportionate to our capacity and interests, in which Australian research and development might assist the United States as it builds a global ballistic missile defence system; allows us to leverage capabilities and systems that we would not have access to otherwise; and ensures mutual development of specific technologies and approaches that will underpin the missile defences of both nations. In this context, the Australian Government is currently considering the potential for the Royal Australian Navy’s new air warfare

32 For an overview of key alliance fora, and other very useful detail on the mechanics of the bilateral defence relationship, see Department of Defence, Submission to Inquiry into Australia’s Defence Relations with the United States, Joint Standing Committee on Foreign Affairs, Defence and Trade, February 2004.
33 RED FLAG is a high intensity air strike exercise held annually in the United States, RIMPAC is a large naval exercise involving countries from around the Asia Pacific region held annually in Hawaii and TALISMAN SABRE is Australia’s largest military exercise involving air, land and sea elements and is held biennially in Northern Australia.
destroyers to provide an element of sea-based ballistic missile defence for deployed forces, in addition to its core air warfare capabilities. The MOU also builds on the role that Australia has played in missile early warning for many decades.

The sixth and final example relates to acquisition, technology, research and logistics issues. In 1998, the two governments established the AUSMIN Defence Acquisition Committee (ADAC). It is today the senior bilateral forum for discussion and cooperation in these areas. ADAC meets at least annually, and is co-chaired by very senior officials in the Australian and US defence departments. The relationships formed through ADAC have been important in driving better acquisition, technology and logistics solutions for both countries, allowing the early resolution of problems. In recent times this has meant facilitating the early delivery of key capabilities such as the M1 Abrams tank, C17 Globemaster III strategic airlifter and cooperation on counter Improvised Explosive Device research and development. The cooperation fostered by ADAC delivers mutual benefits in lower costs, better technology and improved lead times for the testing, development and fielding of new capabilities. In relation to the interoperability agenda described above, in March 2006, ADAC agreed, amongst other things, the need for an Australian/US Concept of Operations (CONOPS) to direct interoperability objectives and priorities. The Interoperability CONOPS will describe how Australian and US forces will operate together and facilitate the identification of data and technology critical to interoperability - this in turn will provide more comprehensive justification for Australia’s technology releasibility requests. ADAC allows Australia to press the case with the US that we have mutual interests in a global defence industry that can deliver on time, on budget and to specification. The on-going consolidation of the global defence industry poses challenges which alliance partners have to work collectively to address, and ADAC provides a forum for this.

The Future of the Alliance: A Defence Perspective

Australia is exceptionally well-placed through the alliance to build an even stronger framework for strategic capability and technology cooperation with the United States. We have been a strong ally and have demonstrated a firm commitment to act in relation to the global security interests that we hold in common with the US.

The United States has recognised and valued our support. The US Defense Department’s Quadrennial Defense Review report of February 2006 noted that long-standing alliances such as NATO and links in the Pacific with Australia, Japan, Korea and others provide a foundation for new ways of working with others.
to address common security challenges. In The National Security Strategy of the United States of America, released in March 2006, the US’s alliance with Australia was described as being “global in scope”.

The time is right to further build on this momentum, and to further translate the closeness of the political relationship into the day-to-day structures of the defence relationship. Further enhancing Australia’s defence capabilities through even more increased integration and access in the alliance would benefit Australia by further enhancing our armed forces. This is in the United States’ interests as it is important to Washington that we continue to possess highly capable armed forces, which are able to act in concert with US forces as our common interests dictate.

The best way to achieve increased integration within the alliance is to ensure that the breadth and complexity of the defence relationship is managed actively at the highest levels through a structured approach. It is crucial that capability and technology deliverables within the alliance are not lost in the myriad of fora that naturally gravitate towards technical and operational concerns. We need to ensure that oversight continues to be exerted at ministerial level, to ensure that the full capability and technology benefits available through the alliance are not blocked as a result of periodic inattention, which can happen in the closest of relationships.

Australia and the US already regularly consult each other on key defence and security issues through an extensive range of Ministerial, senior official and working-level formal meeting and exchanges. These mechanisms allow for frank
and timely discussion and planning at all levels and the exploration of initiatives for strengthening defence and security cooperation between our two countries. These mechanisms provide an excellent basis for enhanced oversight and strategic direction for the alliance being exerted at the highest levels.\textsuperscript{37}

If we are to hold true to the idea of the alliance being a tangible strategic asset, it needs to be managed as a portfolio, with clear deliverables which can be implemented through visible plans that are able to be reviewed and adjusted at the highest levels. Such a portfolio approach might see the individual ‘tracks’ of the alliance come together to constitute a strategic capability and technology framework, spanning areas of cooperation such as: strategic planning and wargaming; the harmonisation of capability requirements; interoperability; ISR cooperation; technology access and acquisition; combined operational planning; regional engagement; combined joint training; missile defence; space; research, development, test and evaluation; logistics and support; and communications. Like all portfolio management exercises, some parts of the portfolio might proceed at a faster pace than others, with the balance of the portfolio ‘spread’ being managed actively from the top, with an eye to maximised outcomes relative to the resources invested.

Ultimately, whatever form such a framework might take, our priority is to develop the best possible means to operate and generate capability together. As long-term coalition partners, facing many security challenges ahead, it would be a mistake for us, or the United States, to allow unnecessarily complicated business processes, where they exist, to inhibit and degrade our effectiveness as allies.

**Conclusion**

It is apparent that our long-standing alliance is serving both nations well as a tool that can be adapted and refashioned as strategic circumstances dictate. From a Cold War legacy, when it was more like an insurance policy in the 1950s and 1960s, to being an indispensable support mechanism for a policy of self reliance in combat forces in the 1970s, 1980s and 1990s, and now with a new additional dimension of global interoperability, the alliance has continually proved its worth to both parties. ANZUS will continue to play the three key and versatile roles in our defence policy articulated in this paper. That is, it will: provide the mechanism by which our two armed forces can work effectively together, across the globe, as required; act as one of the key Asia Pacific strategic linkages that keep the United States engaged in the Western Pacific; and represent the articulation of our two countries’ commitment to mutually support one another in times of need.

As to the future, the Government is committed to ensuring that the alliance is actively managed across the portfolio of linkages which constitute the defence relationship. To paraphrase a maxim from earlier times, alliances are too important to be left solely to defence officials and military planners - as committed and dedicated as they are to pursuing our national interests. Alliances are profoundly political expressions of strategic intent and commitment. They need to be managed accordingly, and this alliance will continue to be managed at the highest level as it is once again refashioned to suit our mutual interests.

8 September 2006

\textsuperscript{37} For an overview of key alliance fora, and other very useful detail on the mechanics of the bilateral defence relationship, see Department of Defence, Submission to Inquiry into Australia’s Defence Relations with the United States, Joint Standing Committee on Foreign Affairs, Defence and Trade, February 2004.