

AUSTRALIAN STRATEGIC GUIDANCE SINCE THE SECOND WORLD WAR

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This edition includes the texts of fifteen declassified strategic guidance documents of the Defence organisation in Australia between 1946 and 1976. Drafted by uniformed officers and civilian public servants, they represent the consensus view of the Chiefs of Staff or Defence Committees of their time about the key tenets underlying defence policy, such as the circumstances under which the Australian armed forces might be used, or the kinds of forces Australia should develop. All of them were submitted to the government of the day for formal consideration, which made them a key guidance mechanism at the interface between the government's policy directive, and the Defence organisation's professional advice. Therefore, the documents themselves must be seen in context with the government's formal responses, which this essay will outline below.

From 1953 to 1983, these guidance documents were usually entitled the *Strategic Basis of Australian Defence Policy* and generally produced at regular intervals of about three years. Within the Defence organisation, the *Strategic Basis* papers were endorsed by the Defence Committee, the highest decision making organ of the Department of Defence. Its membership varied over time but generally included the Secretary of Defence and the Chiefs of Staff, as well as (from 1957) the Secretaries of other related departments and agencies such as Department of External Affairs, Prime Minister's Department, Treasury and intelligence organisations. Two committees subordinate to the Defence Committee were usually involved in the production of the *Strategic Basis* papers: the Joint Intelligence Committee (later National Intelligence Committee) providing input relating to international developments, and the Joint Planning Committee drafting the *Strategic Basis* document itself, until that function migrated to the Deputy Secretary 'B' in the Department of Defence in the early 1970s. Like the Defence Committee, both of these subordinate committees included members of the Defence organisation, and other departments.

The 1976 *Australian Strategic Analysis and Defence Policy Objectives* paper, usually known as *ASADPO*, replaced the 1975 *Strategic Basis* which the new Fraser Cabinet 'did not accept as drafted'.¹ Despite its different title, the document is explicitly identified as part of the *Strategic Basis* series. However, five of the documents included herein are not formally *Strategic Basis* papers, although they are of a similar nature and fulfilled a similar function:² The 1946 and 1947 documents entitled *Appreciation of the Strategical Position of Australia* were drafted by the Chiefs of Staff Committee, not the Defence Committee. The former was sent to the Prime Minister in preparation for the 1946 Commonwealth Prime Ministers' Conference in London, while the latter was formally submitted to the Council of Defence.³ In 1950,

¹ Cabinet Amended Decision No. 448 (FAD), 13 April 1976, NAA: A13075, 448/FAD AMENDED.

² These documents are therefore included when this essay refers to the *Strategic Basis* documents in general.

³ The Council of Defence included the Prime Minister, relevant ministers and the Chiefs of Staff.

the Defence Committee submitted to the Council of Defence, a pair of documents entitled *The Basic Objectives of British Commonwealth Defence Policy and General Strategy*, and *A Suitable Basis for the Distribution of Strategic Responsibility and War Effort*, which were part of a larger process of defence coordination with the United Kingdom and New Zealand and addressed similar questions to the other documents included herein. The 1963 *Australia's Strategic Position* updated the previous year's *Strategic Basis* in the light of recent developments, and while it was submitted to Cabinet for formal endorsement, it did not replace the *Strategic Basis* paper itself. Finally, the 1973 *Strategic Basis* was not formally submitted to Cabinet. Instead, government endorsement took the form of a formal letter by the Minister for Defence to the Chairman of the Defence Committee.

The *Strategic Basis* papers differed substantially in style over time, and did not follow a standard format. Some looked less than five years ahead, others more than a decade. However, all of them included a discussion of threats⁴ and uncertainties facing Australia, its strategy to deal with the identified threats, and most of them at least alluded to the force structure implications flowing from both of these considerations. In general they tended to become more polished and better structured over time. In the late 1960s, they also became more comprehensive in the treatment not only of international developments but also of broader foreign policy implications—and significantly longer. At that time public servants originally from the Department of Foreign Affairs, such as Arthur Tange and Bill Pritchett, gained significant influence over the development of strategic guidance—first as the Foreign Affairs representatives on the Defence and Joint Planning Committees, and later by moving into high-ranking positions in the Department of Defence itself. In general, the balance of influence on the drafting process and final content of the documents varied significantly over time, both at a collective level between the civilian and uniformed members of the Defence Committee, and at the level of individual personalities.⁵ But although it was often widely known inside the Defence organisation which particular individual drafted certain *Strategic Basis* papers or provided the primary input in terms of concepts and ideas, all documents were formally attributed, by virtue of its endorsement, to the Defence Committee as a whole.

⁴ Despite the clarity of the term, it should be recognised that 'threat' in the Australian context often meant the contribution to allied action in support of wider interests, rather than a direct possibility of harm to Australia itself.

⁵ More background on these aspects are included in the *Australian Centenary History of Defence*, in particular volume five: Eric Andrews, *The Department of Defence* (Melbourne: Oxford University Press, 2001); Peter Edwards, *Arthur Tange: Last of the Mandarins* (Crows Nest, NSW: Allan & Unwin, 2006); and Sir Arthur Tange (ed. Peter Edwards), *Defence Policy-Making: A Close-Up View, 1950-1980*, Canberra Paper, no. 169 (Canberra: Strategic and Defence Studies Centre, 2008).

This essay will provide background and comment on the documents included in this edition, and is structured in four sections. It first discusses the nature of strategic guidance, the functions of the *Strategic Basis* papers, and their relationship with defence policy in a wider sense. The second part provides context to the documents by sketching the development of major concepts in strategic guidance, and their reception by the governments of the day. The third section discusses the end of the *Strategic Basis* series, and traces the development of strategic guidance up to the time of writing. The fourth section concludes with a discussion of change and continuity in Australian strategic guidance since the Second World War.

THE NATURE OF STRATEGIC GUIDANCE; AND THE FUNCTIONS OF THE *STRATEGIC BASIS* PAPERS

In the four decades following the Second World War, *Strategic Basis* papers were the most important source of Defence strategic guidance in Australia. Yet despite their prominent status, most of the earlier papers provided scant explanation of their purpose to the reader. Often they contained tautological comments along the lines of the following from the 1956 version, which explained its aim as '[t]o determine the strategic basis on which the development of Australian defence planning and preparations should proceed'.⁶ This section therefore begins by expounding the nature of strategic guidance in more detail, and discusses a number of functions that the *Strategic Basis* papers served. It then examines the link between strategic guidance and defence policy more generally, and concludes with some remarks on how the criteria against which the quality of historic guidance can be assessed.

Political and Professional Judgement in Strategic Guidance

In the classic definition of von Clausewitz, strategy is 'the use of engagements for the object of the war,'⁷ the latter being 'not merely an act of policy but a true political instrument, a continuation of political intercourse, carried on with other means'.⁸ In a more general sense, Colin S. Gray defines strategy as 'the bridge that relates military power to political purpose'.⁹ The link between military means and policy ends is at the core of what strategy and thus strategic guidance, is about. Hence, the *Strategic Basis* papers and the government's comments on them combined professional and political spheres in more than merely a bureaucratic procedural sense. However, the concept of strategy has in modern times moved beyond a focus on the use of force in a particular conflict, and the 1976 *ASADPO* document explained that

⁶ Defence Committee, *Strategic Basis of Australian Defence Policy*, 11 October 1956, para 1.

⁷ Carl von Clausewitz, *On War*, edited and translated by Michael Howard and Peter Paret (New York: Alfred A. Knopf, Everyman's Library, 1993), p. 146.

⁸ *Ibid.*, p. 99.

⁹ Colin S. Gray, *Modern Strategy* (Oxford: Oxford University Press, 1999), p. 17.

*This paper is essentially concerned with circumstances and policy related to the use of military force. This use of force may be present or potential, direct or indirect, short or long term. In accordance with the usage long established in this series of papers, the term 'strategic' is used to denote this characteristic, thus distinguishing strategic from e.g. essentially economic or political circumstances and policies.*¹⁰

Hence, strategy in the context of the *Strategic Basis* series does not end; in the words of Everett Carl Dolman, it seeks 'a favourable continuation of events',¹¹ and

*shapes and guides military means in anticipation of an array of possible coming events. In the process, strategy changes the context within which those events will happen. Thus strategy, in its simplest form, is a plan for attaining continuing advantage. For the goal of strategy is not to culminate events, to establish finality in the discourse between states, but to influence states' discourse in such a way that it will go forward on favorable terms. For continue it will.*¹²

The purpose of *Strategic Basis* papers was thus to prioritise possible and actual threats to Australia's vital interests, and to develop the outlines of 'a plan for continuing advantage'—or avoiding disadvantage—from which principles could be derived to guide the development and use of Australia's armed forces. Both aspects, however, still relate the use of military means to policy purpose, and must inseparably combine judgements at the political and professional level.

The identification and prioritisation of threats in the *Strategic Basis* papers was based on intelligence assessments that surveyed the regional and global strategic situation, and were usually prepared by the Joint Intelligence Committee. The content of these assessments was generally integrated into the final document, although the 1956 *Strategic Basis* contained a separate 'Strategic Review', and several of them included annexes and appendixes of more detailed information. By their very nature these intelligence assessments combined description and professional advice with value-based prioritisation and political judgement.

On the one hand, assessments are factual and analytical, summarising what is known and unknown about strategic circumstances, what is judged probable or more remote—a task that lies squarely within the professional realm of the intelligence community. On the other hand, a strategic development can become a potential threat only if there exists a valued interest or position that is placed at risk. Moreover, combining the available information about threats and uncertainties into a priority order is ultimately based not only on the decision makers' views of national interests, but also on their risk aversion; tolerance of uncertainty; judgements about the relative importance of potential enemies' capabilities against their intentions; the relative priority of present and future threats; and about the balance between the cost and benefit of specific defence preparations. Hence, the nature of intelligence assessments is also intrinsically value-laden and requires political judgement—even though these judgements can in practice be inseparable from professional advice.¹³

The 1946 *Appreciation of the Strategical Position of Australia*, for example, explicitly equated Australia's strategic interests with those of the British Commonwealth as a

¹⁰ Defence Committee, *Australian Strategic Analysis and Defence Policy Objectives*, 2 September 1976, para 5.

¹¹ Everett Carl Dolman, *Pure Strategy* (London: Frank Cass, 2005), p. 5.

¹² *Ibid.*, p. 6.

¹³ See Committee on Risk Characterization, *Understanding Risk: Informing Decisions in a Democratic Society* (Washington D.C.: The National Academy Press, 1996).

whole.¹⁴ It was only in 1959 that the *Strategic Basis* papers first included a statement of specifically Australian 'National Policy Objectives'.¹⁵ In general, the extent to which Australia should identify with the national interests and objectives of its global allies—or, more precisely, the extent to which national Australian and wider 'Western' interests overlap—always was and will remain a source of legitimate debate requiring the government's directives.

The development of strategy proper, of the use that can be made of military force in both its existing and its latent form, is also of a similar nature and intrinsically combines political and professional judgement. The experienced resident in the military Services is required to judge the feasibility of, and the requirements for, successful military operations. Civilian and military strategists provide advice on how armed force or the threat thereof may be used to further Australia's interests by influencing the behaviour of adversaries, allies and uncommitted countries alike. The organisation and implementation of defence preparations themselves require a range of financial, technical, scientific and other expertise.

At the same time, however, the use of force, preparation for it and strategic commitments to allies and friends are inherently political. The national treasure and other resources devoted to defence must be weighed against the national interest that is at stake, and against alternative uses they could be put to—questions that arise in their sharpest form once military commitments with the prospect of casualties have to be considered. Hence, behind the sometimes innocuous and occasionally mundane content of the *Strategic Basis* papers, lie fundamental judgements that ultimately touch upon society's implicit social contract.

Functions of the *Strategic Basis* Papers

The *Strategic Basis* papers themselves must be seen within the context of their drafting, endorsement by the Defence Committee, and consideration by Cabinet. The process itself, and the resulting documents, both served a number of related yet distinct functions. First, both the drafting process and the formal consideration allowed the Cabinet collectively, and Ministers individually, to discharge their general responsibility for directing the Defence organisation, in particular with regard to the threats and issues Defence should address and the overall strategy it was to follow. Ministers and Cabinet could do so in a number of ways. The most obvious were the formal Cabinet Decisions, in which Cabinet could make general comments on the paper submitted and sometimes explicitly endorse or not endorse particular paragraphs or ideas. However, political guidance was also exercised before and during the drafting of the documents themselves, in which case the government's influence is less immediately apparent from the Cabinet papers, but no less real. During the drafting of the 1953 *Strategic Basis*, for example, the Prime Minister sent the Defence Committee a memorandum of observations that were to guide the review.¹⁶ Even less obvious from the files, but often very significant, was the direct involvement and informal guidance exercised by the Minister for Defence of the day.

A second function of drafting the *Strategic Basis* papers lay in the opportunity it provided the highest echelon of the Defence organisation for a regular review of changes in Australia's strategic circumstances, and of any adjustments that might

¹⁴ Chiefs of Staff Committee, *Strategical Position of Australia*, 20 March 1946, paras 52-67.

¹⁵ Defence Committee, *Strategic Basis of Australian Defence Policy*, 12 January 1959, para 5.

¹⁶ Letter F.A. McBride to Prime Minister, 14 January 1953, NAA: A1209, 1957/4152.

have been required in the country's general strategic posture. This was all the more important as the Defence Committee's usual work was dominated by many detailed decisions on specific planning and preparation issues often of a rather mundane and short-term nature. The *Strategic Basis* documents rarely made specific force structure recommendations, although most of them informed multi-year defence programs, in which case they were often considered by Cabinet in conjunction with the program submissions. In addition, the *Strategic Basis* papers of the early 1970s all made reference to a number of more detailed studies of strategic questions relating to the defence of Australia, the implications of its physical environment and geography, and various force structure issues. They were led by the Force Development and Analysis, and the Strategic and International Policy Divisions in the Department of Defence, and later became collectively known as the 'Defence of Australia' studies, although only a small number carried that formal title. These studies thus provided an important context to the *Strategic Basis* papers of the time.

A third function of the *Strategic Basis* documents was that they served to communicate to the Defence organisation at large, both collectively and individually, the basic tenets of Australia's defence policy and strategy—as far, that is, as their high level of classification allowed. The activities of committees and divisions subordinate to the Defence Committee could thus be informed and directed by the *Strategic Basis* paper. In 1966, an *Interim Review of the Strategic Basis* also served this function following significant developments in Indonesia that occurred after the adoption of the 1964 *Strategic Basis*. It was endorsed by the Defence Committee as the basis for further studies but, like similar updates that had, for example, occurred in 1958 and would follow in 1967, it did not carry formal government approval.¹⁷ While the *Strategic Basis* papers carried the classification 'AUSTEO'—Australian Eyes Only—from the late 1960s,¹⁸ the earlier documents were often sent to Australia's close allies to inform them about the country's policy.¹⁹ The Defence Committee also endorsed a short version of the 1973 *Strategic Basis* that was made available to all one and two star officers in order to acquaint them with the main tenets of post-Vietnam defence policy. In 1976, the government published the *Australian Defence White Paper*, which was based on strategic guidance documents and included additional comments on current force structure and future capability development. However, like the departmental 1972 *Strategic Review*,²⁰ it was for public communication only, and did not replace the *Strategic Basis* documents as the authoritative strategic guidance for the Defence organisation.²¹

¹⁷ For this reason, and because there was significant overlap with the formally adopted 1959 and 1968 *Strategic Basis* papers, the text of these documents is not included in this collection.

¹⁸ Those of the early 1970s even included a specific note by the Secretary of Defence, Sir Arthur Tange, highlighting their AUSTEO classification.

¹⁹ Parts of the 1973 *Strategic Basis* were also shared with New Zealand.

²⁰ The 1972 *Strategic Review* was originally meant to be a White Paper, but government then decided to publish it as a departmental paper only. Tange, *Defence Policy-Making: A Close-Up View, 1950-1980*, pp. 40-43.

²¹ Alan Thompson, *pers. comm.* The 1976 White Paper differs in this regard from its successors in later decades.

The fourth and perhaps most important function of the *Strategic Basis* papers was that they provided public servants and military officers with the opportunity to gain explicit government approval for the principles and priorities enunciated in the documents. In this context, the real authorship—as opposed to the formal endorsement by the Defence Committee—mattered a lot. At times, for example in the case of the 1973 paper, it even became the source of significant tension between civilian and uniformed members of the Defence Committee.²² Because they rarely included specific decisions about the allocation of money and resources, the impact of the *Strategic Basis* documents was often indirect, in the sense that it largely derived from their influence on subsequent decision making. However, they could be an important tool to be wielded in the internal debates of the Defence organisation, especially between the Department of Defence, or Defence Central after 1976, and the three Services. In the words of Sir Arthur Tange, '[m]uch defence policy lies in the mind; and what may seem no more than a slogan can be made a powerful directing influence on more material matters'.²³

Strategic Guidance and Defence Policy

All the *Strategic Basis* papers included in this edition were submitted to the government of the day, and—with the exception of the 1946 *Appreciation*—led to formal Decisions by Cabinet or the Council of Defence. White Papers, published since 1976, and other guidance documents endorsed after the end of the *Strategic Basis* series in 1983 were formally Cabinet documents to begin with. Hence, there is no doubt that they all were closely related to Australia's defence policy of the time. However, the exact relationship between strategic guidance and defence policy is important for an appreciation and understanding of the role of the documents reproduced in this edition, as well as those of more recent times.

Defence policy in general deals with all measures that, in one form or another, contribute to the use of armed force in the national interest, and falls for the most part within the scope of the Department of Defence. For the purposes of the discussion here, it can be usefully differentiated into three broad categories that capture different areas in which practical decisions are required.²⁴ First, declaratory policy deals with the communication of Australia's intentions, capabilities and strategy to the Australian public, allies and other countries—both on an ongoing basis, and in the context of particular crises or conflicts. Second, force employment policy comprises the decisions on how the Australian armed forces are used to achieve strategic effect—be it through independent operations, those alongside allies, or the basing of forces overseas to signal commitment to particular causes. Third, force structure policy concerns all decisions about the raising, maintenance or de-commissioning of defence capabilities and equipment. Alliance relationships are an important consideration for defence policy in general, and their practical implications cut across all three areas of declaratory, force employment and force structure policy—as do the implications of relations with actual or potentially hostile powers.

If the above and narrow definition of defence policy as a set of material decisions is

²² Andrews, *The Department of Defence*, p. 219; Desmond Ball, *The Politics of Defence Decision Making in Australia: The Strategic Background*, Reference Paper, no. 93 (Canberra: Strategic and Defence Studies Centre, 1979), pp. 7-8.

²³ Tange, *Defence Policy-Making: A Close-Up View, 1950-1980*, p. 40.

²⁴ A view of defence policy that is inspired by the framework used in Desmond Ball, 'U.S. Strategic Forces: How Would They Be Used', *International Security*, vol. 7, no. 3 (Winter 1982/83), pp. 31-60.

accepted, the *Strategic Basis* papers and governments' comments on them informed and directed defence policy, but they were not directly part of it. The documents provided statements of priorities based on an analysis of the circumstances of Australia's strategic situation at the time of writing, and of trends affecting it into the future. They discussed major issues of concern that would have to be taken into account when making decisions about declaratory statements, force employment, and force structure in subsequent years, and the impact of current decisions and policies on those of the future. Often, they highlighted possible changes to priorities or policies that might be the consequences of contingent developments in the future. But it is important not to interpret them as 'rulebooks' of directly applicable instructions for future defence policy. For two main reasons, this is something that they were never meant to be, and never could be.

First, as mentioned above, the *Strategic Basis* papers rarely included direct decisions on force employment or force development, and being classified documents, they did not have a direct role in declaratory policy. Hence, any practical consequences that would flow from the analysis endorsed in the *Strategic Basis* documents still required separate consideration by the relevant departments, the Defence Committee, and often Cabinet itself—a situation that is only different by degree for later Defence White Papers. Strategic guidance is not legislation passed by Parliament, nor does it generally, as a classified document to be viewed by Australian citizens only, directly carry binding commitments to friends and allies. Therefore, the government of the day was neither legally, nor even morally bound to abide by the principles it endorsed in the *Strategic Basis* papers, when it was making separate decisions on defence programmes or on the use of Australian forces abroad. Moreover, as a former First Assistant Secretary is reported to have said, '[t]he *Strategic Basis* is the gospel; but it has as many interpretations as the gospel'.²⁵ When it was used to inform and direct planning and decisions within the Defence organisation, the effect of strategic guidance thus still had to be translated through the internal processes mentioned above. Hence, the extent to which the policy intent of strategic guidance was realised could differ with the balance of power within the Defence organisation, and was for example markedly higher after the 1987 White Paper, than in the period before.

However, there is a second and more fundamental reason why *Strategic Basis* papers were only meant to inform and direct, rather than prescribe, policy itself. As they were documents that were written only intermittently and rarely updated before the passing of three years, any *Strategic Basis* paper formulated as a set of policy prescriptions, rather than general principles, would already have been outdated and overcome by the time it was written. The papers described a range of credible future contingencies and made recommendations on the basis of this aggregation of possible developments. Time passing since their writing inevitably reduced the range of previously identified possibilities, as events did *not* happen, and at the same time opened up new possibilities that became credible on the basis of recent turns of history. Strategic guidance therefore informs and directs policy, but policy, as the body of material decisions, has to be based on the circumstances as they are realised at the time. Hence, a history of strategic guidance is as much a history of counterfactuals—of conflicts and events that could have been but never were—as it is a history of defence policy and operations as they did unfold in reality.

²⁵ Quoted in Ball, *The Politics of Defence Decision Making in Australia: The Strategic Background*, p. 1.

Evaluating Strategic Guidance

This means that strategic guidance also can not serve as a direct 'scorecard' against which the success or appropriateness of subsequent defence policy should be directly assessed. Defence White Papers in particular, because of their unclassified status, explicit government ownership, and associated force structure and budget programs, are sometimes interpreted in that way. Strategic guidance documents could not serve their basic functions, as discussed above, if they were written in a way that makes it impossible to compare later decisions against the priorities, principles and commitments they established. But divergence of later policy from the previously established principles can not, of itself, be the basis for a judgement about the appropriateness of the realised policy, nor of the quality of the strategic guidance: the former is inevitably based on a more complete knowledge of specific circumstances at the time than the latter, which can only discuss future possibilities in general terms.

This issue points to a larger question of how the 'quality' of past strategic guidance, and the policy that was based on it, can be evaluated. Any defence effort should ultimately be directed towards shaping future developments that affect a nation's security. However, a causal approach that evaluates the 'quality' of strategic guidance on the basis of its impact on subsequent policy, or that policy's impact on subsequent strategic developments, inevitably creates difficult analytical problems.

At a basic level, hindsight will always reveal whether, following specific policy or guidance decisions, a conflict or particular challenge arose or not. Therefore, it will usually be the case that either additional preparations would have proved of significant value, or that the resources devoted to defence were not called upon, and could have been safely reduced and used for other national priorities.²⁶ Hence, a judgement about the appropriateness of strategic guidance and the decisions that were based on it must only be based on the knowledge and circumstances available to the relevant decision makers at the time.

In addition, Australia's defence policy was only one among many influences upon the events it was directed at, and often a rather minor one at that. Purposefully linking ends and means through strategy is inherently a most difficult exercise,²⁷ whose nature can often resemble an experiment rather than orderly public policy.²⁸ Hence, the impact of Australia's policy on subsequent events is often impossible to determine. Judging strategic guidance or defence policy based on outcomes alone thus means comparing it against a counterfactual of what is assumed would have happened, had a different course of action been taken. In the absence of any unequivocal policy blunders, the credibility of such a counterfactual is in practice very difficult to establish—in particular, as it would have to be shown that decision makers at the time would have been able to reach similar conclusions based on the information then available to them.

²⁶ Defence capability can, of course, also have strategic effect by dissuading potential challengers, or deterring hostile actions. However, both effects are characterised by a non-event, therefore impossible to prove, and only add to the difficulty of evaluating past defence policy.

²⁷ Colin S. Gray, 'Why Strategy is Difficult', *Joint Forces Quarterly*, no. 22 (Summer 1999), pp. 6–12; David Jablonsky, 'Why is Strategy Difficult', in Boone Bartholomees (ed.), *U.S. Army War College Guide to Policy and Strategy* (Carlisle, PA: Strategic Studies Institute, U.S. Army War College, 2004), pp. 143-155; David J. Lonsdale, 'Strategy: The Challenge of Complexity', *Defence Studies*, vol. 7, no. 1 (March 2007), pp. 42-64.

²⁸ Stephan Frühling, 'Uncertainty, Forecasting, and the Difficulty of Strategy', *Comparative Strategy*, vol. 25, no. 1 (January-March 2006), pp. 19-32.

An evaluation of past strategic guidance must therefore primarily relate to the internal coherence and consistency of the argument in the document itself, rather than the consequences of later policy.²⁹ Good strategic guidance must not be based on a single-point prediction of future circumstances and strategic requirements, and should provide indications of how its core recommendations need to be adapted or interpreted in a range of plausible futures. It is deficient if it does not discuss the implications of a credible future contingency, provided that the information available at the time allows its authors to do so. But at the same time, it must also identify those core judgements whose violation would invalidate the analysis and conclusions contained in the document. In a very similar way, defence policy has to adapt to new strategic (and fiscal) circumstances as they develop over time, and against which its merits must be judged. Should core judgements of strategic guidance be violated, the certainty that policy is appropriate for the changed circumstances would be much reduced, and strategic guidance would need to be reviewed. In 1962, such a review was indeed requested by Cabinet and is included as the 1963 *Australia's Strategic Position* in this edition.

However, even when an evaluation of past strategic guidance is argued on the basis of its internal coherence and logic rather than on the basis of information that would not have been available at the time, the benefit of hindsight still leads to significant cognitive biases. In general, analysts and policymakers who were involved in the drafting of strategic guidance tend to overestimate the extent to which their past judgements were accurate. At the same time, the decision makers and recipients of the documents tend to underestimate how much they added to their knowledge and understanding. Finally, evaluations conducted in hindsight tend to judge that events and developments were more easily foreseeable than they were in fact at the time.³⁰ Even if they do not cause disagreement *per se*, such biases accentuate different viewpoints and perpetuate disagreements about particular judgements and decisions made in the past.

DEFENCE COMMITTEE, CABINET AND STRATEGIC GUIDANCE 1946-1976

With this caveat in mind, this section will provide chronological context and commentary on the documents in this edition, concentrating on governments' formal responses to the papers submitted for consideration. A comprehensive history of the strategic guidance process, of the interaction between the Department of Defence and Ministers, or defence policy at large is beyond the scope of this introductory essay. Therefore, the following should primarily be read as a history of ideas within the formal interaction between Defence Committee and Cabinet.³¹

²⁹ In the literature on organisations, this is known as the configurational approach. See Alan D. Meyer, Anne S. Tsui and C.R. Hinings, 'Configurational Approaches to Organizational Management,' *Academy of Management Journal*, vol. 36, no. 6 (December 1993), pp. 1175-1195.

³⁰ See Richards J. Heuer, *Psychology of Intelligence Analysis* (Langley, VA: Center for the Study of Intelligence, Central Intelligence Agency, 1999), pp. 161-172.

³¹ Or the Chiefs of Staff Committee and Council of Defence for the 1940s and early 1950s.

Gaining Direction: The Chiefs of Staff Committee's *Appreciations of the Strategic Position*

Initial observations on Australian post-war strategic guidance date back to 1943, when the Minister for Defence named 'local defence', 'co-operation in Empire defence', and a contribution to a future system of collective security as the main drivers of Australia's post-war force structure. In January 1944, the Defence Committee was instructed to consider related questions, once 'a firm basis for the expression of its views has been established'.³² In October, the Committee re-affirmed that Australia should not rely solely on a future system of collective security, nor that it 'should accept the risk of relying primarily for its defence upon the assistance of a foreign power'. Standing Australian forces for the 'initial defence of Australia' would be required to 'control the situation', until allies' help arrived, and the nation mobilised for war.³³ In June 1945, the Defence Committee submitted to the Minister for Defence a report on 'the nature and functions' of the post-war forces, which discussed the lessons of the war for future force structure requirements.³⁴

But it was the Chiefs of Staff Committee, not the Defence Committee, that drafted the first comprehensive strategic guidance document after the war and submitted it to the Minister for his approval.³⁵ The 1946 *Appreciation of the Strategic Position of Australia* stated that should 'Australia be faced with the necessity for the local defence of her own territory, the situation would be desperate owing to the inadequacy of her resources and the extent of her territory'.³⁶ While it saw Australia as protected by its geographic situation and the collective security system of the United Nations, the country was 'unable to defend herself unaided against a major power'.³⁷ The 1946 *Appreciation* identified the Soviet Union (Union of Soviet Socialist Republics, USSR) as the only major power that 'is a potential enemy of the future',³⁸ requiring an 'alternative system to the United Nations'.³⁹ It stated that Australia's 'dependence on outside assistance, compels her to accept that the strategic employment of her forces will be governed by considerations wider than those of a purely regional nature'.⁴⁰

In this context, the 1946 *Appreciation*, and its successor of 1947, are particularly instructive in highlighting the potential difficulty in strategic guidance of reconciling political direction with professional advice and preferences. Both documents identified the USSR as a potential enemy, suggested that defence cooperation should be conducted outside the United Nations, and that Australia should, or would have to, subordinate its own policy to the requirements of Empire defence—all of which were propositions at odds with the policy preferences of the Chifley government in general, and the Minister for External Affairs, H.V. Evatt, in particular.

³² Defence Committee, Minute No. 25/1944, 18 January 1944, NAA: A2031, 25/1944.

³³ Defence Committee, Minute No. 335/1944, 18 October 1944, NAA: A5799, 206/1944.

³⁴ That report is discussed at length in Anthony Wright, *Australian Carrier Decisions*, Papers in Australian Maritime Affairs. No. 4 (Canberra: Seapower Centre, 1998), pp. 121-128.

³⁵ Chiefs of Staff Committee, Minute No. 11/1946, 20 March 1946, NAA: A5954, 1645/8.

³⁶ Chiefs of Staff Committee, *Appreciation of the Strategic Position of Australia*, 20 March 1946, para 109.

³⁷ *Ibid.*, paras 1, 9, 32.

³⁸ *Ibid.*, paras 45, 53.

³⁹ *Ibid.*, paras 20, 45.

⁴⁰ *Ibid.*, paras 3, 64.

In a letter to the Prime Minister accompanying the 1946 paper, the Secretary of Defence, Frederick Shedden, wrote that '[t]he Appreciation as a military planning document appears both sound and realistic', but that '[f]rom the Government's point, there are doubts as to wisdom of the acceptance of the Appreciation, and much less its endorsement'. He recommended that the Prime Minister not act on the document.⁴¹

In their 1947 *Appreciation of the Strategical Position of Australia*, the Chiefs of Staffs re-iterated the main arguments of the previous year's document, and drew out more precisely the implications for Australia's defence policy and planning. The previous year's Commonwealth Prime Ministers' conference had discussed that the dominions would take more responsibility for the defence of areas of strategic importance in their respective regions. The 1947 *Appreciation* proposed to define Australia's region by the areas that would allow an enemy to mount air attacks against the country, as well as those locations required to deny the enemy these areas.⁴² However, Australian responsibility for this region—which was later to become the 'ANZAM'⁴³ area—was seen as part of an overall joint and coordinated Commonwealth defence.⁴⁴ In that global effort, 'Australia's most effective contribution' might be in the Middle East, and Australia's 'strategic plan for defence should, therefore, envisage provision of forces to operate in the Middle and/or Far East, in accordance with an overall plan'.⁴⁵

Unlike the 1946 document, the 1947 *Appreciation* was formally considered by the Council of Defence in April 1948. The Council noted that the document had moved 'beyond the scope of a strategic appreciation into the political and administrative spheres'. Taking into account a longer submission by the Minister for Defence critically reviewing several elements of the Chiefs' document, the Council remarked that 'the designation of a potential enemy at this stage is not consistent with' government policy, and noted that 'political agreement between members of the British Commonwealth on joint strategic plans is impossible of attainment at the present time'. It remarked that

The vital question is whether Australia has the resources to accept the responsibilities which the Chiefs of Staff say would be involved in undertaking the formulation and control of strategic policy in the zone recommended by them

and that 'these plans would need to be linked with those of the United States'. However, it did authorise planning to begin, in coordination with the other Commonwealth countries and the United States, for a zone of Australian strategic responsibility.⁴⁶ While formally rejecting the idea of Australia assuming a role in a joint Commonwealth defence plan, the Council thus nevertheless allowed planning with the United Kingdom to proceed.⁴⁷

⁴¹ Letter Secretary of Defence to Prime Minister, 5 April 1946, NAA: A5954, 1645/8.

⁴² Chiefs of Staff Committee, *Appreciation of the Strategical Position of Australia*, 28 October 1947, paras 87-93.

⁴³ Australia, New Zealand and Malaya.

⁴⁴ Chiefs of Staff Committee, *Appreciation of the Strategical Position of Australia*, 28 October 1947, para 83.

⁴⁵ *Ibid.*, paras 85, 86.

⁴⁶ Conclusions of the Council of Defence, 20 April 1948, NAA: A816, 14/301/321.

⁴⁷ An ambiguity pointed out in David Horner, *Defence Supremo: Sir Frederick Shedden and the Making of Australian Defence Policy* (St Leonards, NSW: Allen & Unwin, 2000), p. 269.

In May of 1948, the Prime Minister and the Minister for Defence directed that, in the future, the Defence Committee should be responsible for 'the development of strategic planning', while the Chiefs of Staff Committee would be limited to 'strategic appreciations and plans of an operational nature'.⁴⁸ The preparation of a new *Appreciation* paper was put on hold pending the negotiations about Australia's zone of strategic responsibility with the United Kingdom and New Zealand,⁴⁹ which would extend well into 1950 and into the term of the new Menzies Government. Hence, whether Australia's engagement in South-East Asia was to be part of, and subject to, a global allied strategy as advocated in the *Appreciation* papers of 1946 and 1947, or whether it was rather the expression of Australia's policy as an independent nation in its region, as advocated by the Department of External Affairs, ultimately remained unresolved under the Chifley Government.⁵⁰

Global War and the Commitment to the Middle East

In the years following the 1947 *Appreciation*, relations between the Western Allies and the USSR in Europe rapidly soured, and the 1949 explosion of the first Soviet atomic bomb, as well as the communist victory in China, only heightened an already existing perception of real threat. Defence cooperation among Western countries had picked up pace with the Dunkirk treaty of 1947 and the Brussels treaty of 1948, culminating in the 1949 Washington Treaty, which established NATO and ended the US tradition of avoiding 'entangling alliances' in peacetime.⁵¹ The 1953 *Strategic Basis* would later comment that in 1949/50,

*Russia was considered to be capable of overrunning Europe and the Middle East before effective defensive measures could be taken by the Allies. It was apparent, therefore, that our preparations for war would have to be speeded up.*⁵²

In June 1950, Field Marshal Sir William Slim, then Chief of the Imperial General Staff and later Governor-General of Australia, visited the country to discuss strategy and defence cooperation. As part of the deliberations, the Defence Committee forwarded two related reports on *The Basic Objectives of British Commonwealth Defence Policy and General Strategy* and *A Suitable Basis for the Distribution of Strategic Responsibility and War Effort* to the Council of Defence. Both of these documents were much less comprehensive than the earlier *Appreciation*, or later *Strategic Basis* papers. However, they provided strategic guidance from the new Menzies Government on Australia's defence role in the context of a deteriorating security situation in the northern hemisphere. The Council of Defence 'approved' the recommendations they contained only four days before the North Korean surprise attack that began the Korean War.⁵³

⁴⁸ Letter Secretary of Defence to Defence Committee, 24 May 1948, Defence Committee Agendum No. 80/1948, NAA: A5799, 80/1948.

⁴⁹ Defence Committee, Minute No. 157/148, 22 July 1948, NAA: A2031, 157/1948.

⁵⁰ See David Lee, 'Britain and Australia's Defence Policy, 1945-1949', *War and Society*, vol. 13, no. 1 (May 1995), pp. 61-80; Peter Edwards, *Crises and Commitments* (North Sydney: Allen & Unwin, 1992), pp. 53-56; 60-62.

⁵¹ David Miller, *The Cold War: A Military History* (London: John Murray, 1998), pp. 3-24.

⁵² Defence Committee, *Strategic Basis of Australian Defence Policy*, 8 January 1953, para 2. Unbeknownst to the Australians, the adoption of these two documents coincided with the drafting in the United States of NSC-68, a new strategic guidance document that would significantly increase US military efforts for the Cold War. See S. Nelson Drew (ed.), *NSC-68: Forging the Strategy of Containment* (Washington DC: National Defense University, 1994).

⁵³ Minutes of Council of Defence, 21 June 1950, NAA: A9787, 113.

With the adoption of *The Basic Objectives of British Commonwealth Defence Policy and General Strategy*, Australia's defence policy had gained a decidedly global focus. It was

*to join with the other Commonwealth countries, the United States and the countries of Western Europe in organising essential deterrent forces, in building up effective defences and in working out the necessary plans, preferably on a regional basis, ... [and] to resist the spread of communism by all means short of war.*⁵⁴

In war, the aim would be '[t]o ensure the abandonment by Russia of further military and ideological aggression'.⁵⁵ *A Suitable Basis for the Distribution of Strategic Responsibility and War Effort* recommended that, in the overall struggle, Australia should have responsibility for its home defence, and for 'the overall direction and control of operations' for the defence of the ANZAM region, but that its effort should conform with overall British Commonwealth strategy.⁵⁶ It noted that

*the threat to Australia might be increased by adverse events in South-East Asia, but the security of Australia will depend ultimately on the outcome of the major conflicts in Europe and the Middle East.*⁵⁷

A military threat on land in South-East Asia would only develop with significant warning time, but the greatest need for additional forces in the early stages of a global war was in the Middle East, where they 'would have a beneficial effect out of all proportion to their size'.⁵⁸ Therefore, two sets of plans should be developed; one for the deployment of initially available Army and Air Forces to the Middle East, with follow-on forces going either there or to Malaya, and another set in which the first forces would deploy to Malaya, with later contingents being sent there or to the Middle East.⁵⁹

In May 1951, the Defence Committee finalised a study of the *Strategic Concept for the Defence of the ANZAM Region* in global war, which concluded that the effort required to defend Malaya might be out of proportion to its benefit. In order to free forces for other theatres, and even at the cost of limited air and submarine attacks on Australia, it might be necessary in global war to fall back on the defence of New Guinea and the continent itself.⁶⁰ In a letter to the Prime Minister, the Minister for Defence noted that besides the increased threat during the war, such a strategy would also lead to a deterioration of Australia's long-term position, as the re-establishment of Western influence in South-East Asia would be very difficult. He concluded that

⁵⁴ Defence Committee, *The Basic Objectives of British Commonwealth Defence Policy and General Strategy*, Minute No. 86/1950, 15 June 1950, para 7.

⁵⁵ *Ibid.*, para 8.

⁵⁶ Defence Committee, *A Suitable Basis for the Distribution of Strategic Responsibility and War Effort*, Minute No. 89/1950, 15 June 1950, paras 8, 16.

⁵⁷ *Ibid.*, para 17.

⁵⁸ *Ibid.*, paras 19, 22.

⁵⁹ *Ibid.*, para 23.

⁶⁰ Defence Committee, *Strategic Concept for the Defence of the ANZAM Region*, Minute 147/1951, 31 May 1951, NAA: A816, 14/301/447.

*Our immediate concern is the political and strategic policies to be adopted to win the next war should one occur, but we cannot disregard their effects on our future security. The Middle East is a vital area, but it is essential that the political implications of the Defence Committee's views should be considered.*⁶¹

Hence, a decision about a commitment of forces to either Malaya or the Middle East hinged on the judgement about the relative importance of the 'immediate concern' of making a contribution to global war where it counted most at the global scale, and hence emphasising the Middle East, against that of other 'effects on our future security' that would result from developments in Malaya. In December 1951, Cabinet decided to send the first Army and Air Force units available in wartime to the Middle East.⁶² However, that decision and policy judgement was to last for only a few months.

The Australian Commitment to the Allied Defence Effort in South-East Asia

In the first half of 1952, it had become less likely that the Korean War was a feint before a global communist attack, and in July of that year the Prime Minister asked for plans to be drawn up to send troops to South-East Asia rather than the Middle East.⁶³ In early 1953, the first *Strategic Basis* paper was endorsed by the Defence Committee, and 'approved for planning and programme purposes' by Cabinet in April 1953.⁶⁴ The Prime Minister had directed that threats to the Middle East and to South-East Asia be considered as a basis for the review,⁶⁵ and both regions were discussed at length.

The 1953 *Strategic Basis* found the risk of global war to be less than it had been in 1950, and—following the logic outlined in the letter of 1951 by the Minister for Defence quoted above—recommended that cold war commitments in South-East Asia should take precedence over preparations for global war.⁶⁶ In global war, Australia would contribute 'the maximum possible' to theatres other than South-East Asia, but 'it is the Australian Government's view that the aim of the Allies should be to ensure the retention of Malaya', due to its importance for the defence of Australia, and for Australia's ability to contribute forces to other theatres.⁶⁷ Although the paper nowhere explicitly spelled out that South-East Asia was now to take priority for Australia in global war as well,⁶⁸ this was the clear implication and position taken into negotiations with the United Kingdom.⁶⁹

In 1954, the end of the First Indochina War had created a new communist regime in North Vietnam, and eliminated France as a buffer between China and British possessions in South-East Asia. Australia increased its military and political efforts in

⁶¹ Letter McBride to Prime Minister, 6 June 1952, NAA: A816, 14/301/447.

⁶² Horner, *Defence Supremo: Sir Frederick Shedden and the Making of Australian Defence Policy*, p. 307.

⁶³ *Ibid.*

⁶⁴ Cabinet Defence Preparations Committee Minute, 8 April 1953, NAA: A5954, 1853/3.

⁶⁵ Joint Planning Committee Report No 56/1952, 14 December 1952, NAA: A816, 14/301/576.

⁶⁶ Defence Committee, *Strategic Basis of Australian Defence Policy*, 8 January 1953, paras 16, 20, 51.

⁶⁷ *Ibid.*, paras 50, 70.

⁶⁸ Instead, it contained the rather cryptic statement that '[i]n global war although the retention of the Middle East is of more importance to the Allies than South-East Asia, the retention of Malaya is of great importance.' *Ibid.*, para 52.

⁶⁹ Horner, *Defence Supremo: Sir Frederick Shedden and the Making of Australian Defence Policy*, pp. 311-314.

support of the engagement of its major allies in the region. In February 1955, the Manila Treaty created the South-East Asian Treaty Organization (SEATO), which formally committed the United States to the region, and in October the first Australian ground troops were sent to serve in the Malayan emergency as part of the Commonwealth Strategic Reserve. Hence, in the lead up to the 1956 *Strategic Basis*, developments in the region and Australia's deliberate policy both cemented the focus on South-East Asia and Malaya as the 'first line of Australia's defence'.⁷⁰

The second of the *Strategic Basis* papers was more coherently argued than its predecessor, although its separation into the report itself and a 'strategic review' twice the length of the former did not make the document as easily accessible as its successors. In general, the 1956 *Strategic Basis* stated and summarised Australia's policy rather than argued for a change in direction. Because Australia depended 'for her ultimate security' on major allies, its defence policy had to align with global Western strategy. Contributions to collective defence in South-East Asia would provide 'defence in depth' and 'strengthen her case for the support of her allies' should a future direct threat develop.⁷¹ The confidence expressed in the use of strategic and tactical nuclear weapons reflected that of the United States and NATO at the time.⁷² 'Limited War' in South-East Asia was included as a third type of conflict besides cold and global war. In line with wider Western theorising on such conflict at the time, it was considered in terms of a conventional or nuclear conflict confined to a specific region rather than the combination of insurgency warfare and conventional operations of the First Indochina war (which would later also characterise the Vietnam War).⁷³ Cooperation of Commonwealth powers in the ANZAM area was only mentioned as a fall-back arrangement should SEATO fail to withstand a communist attack,⁷⁴ indicating the extent to which the country now primarily looked to the United States for military support in the region. However, the document did not include an assessment of SEATO's potential weaknesses, and only a very oblique reference was made to the possibility that Australia might face conflicts in New Guinea without allied support.⁷⁵

In February 1957 Cabinet 'endorsed' the document 'as the strategic basis for the development of Australian defence planning and preparations'.⁷⁶ In subsequent years the Malayan emergency wound down while South Vietnam made temporary incursions against communist subversion. International developments as far as Australia was concerned were dominated by two issues: the Suez Crisis of October 1956, in which America refused to support Australia's second major ally, the United Kingdom, and the diplomatic manoeuvrings between the Netherlands and Indonesia over the future of West New Guinea, in which Australia supported the former against

⁷⁰ Defence Committee, *Strategic Basis of Australian Defence Policy*, 11 October 1956, para 12. The only mention of the Middle East in the 1956 *Strategic Basis* is in an annex to the appendix of the document.

⁷¹ *Ibid.*, paras 14-16.

⁷² *Ibid.*, para 5. For the US strategy of the 'New Look' at the time, see Lawrence Freedman, *The Evolution of Nuclear Strategy* (New York: St Martin's Press, 2nd edition, 1989), pp. 76-90; and John Lewis Gaddis, *Strategies of Containment* (Oxford: Oxford University Press, 1982), pp. 164-175.

⁷³ Defence Committee, *Strategic Basis of Australian Defence Policy*, 11 October 1956, paras 10, 24, Appendix 5-11, 14, 29, 33, 38, 50-52. The contemporary classic texts on the theory of limited war are Henry Kissinger, *Nuclear Weapons and Foreign Policy* (New York: Council on Foreign Relations, 1957), and Robert E. Osgood, *Limited War: The Challenge to American Strategy* (Chicago: The University of Chicago Press, 1957).

⁷⁴ Defence Committee, *Strategic Basis of Australian Defence Policy*, 11 October 1956, paras 15, 24.

⁷⁵ *Ibid.*, para 24 (c).

⁷⁶ Cabinet Decision No. 656, 22 February 1957, NAA: A4926, 522.

its northern neighbour.⁷⁷ Both developments reverberated strongly in the *Strategic Basis* paper that the Defence Committee endorsed in January 1959.

The 1959 *Strategic Basis* continued to see global war as unlikely, but it highlighted weaknesses in SEATO as an organisation and in the assumptions underlying Western strategy for limited war in South-East Asia.⁷⁸ China was growing stronger, while British power was waning and Western influence in general was diminishing in the newly independent countries of South-East Asia.⁷⁹ Australia 'should be prepared to act independently at least for a time' in limited war against Indonesia while its allies' forces were bound in other conflicts; in operations (including against Indonesia) following the incapacitation of its major allies in global war; and in conflict with Indonesia over West New Guinea.⁸⁰ The paper recommended that '[a]s our forces could be re-shaped only over a long period of years they should be designed primarily with the ability to act independently of allies'.⁸¹ Reversing the judgement made in, for example, the 1946 *Appreciation*, it also remarked that forces able to act independently could also be used in conjunction with allies, but that the opposite was not necessarily true.⁸² From now on, preparations for limited war rather than cold war commitments should take priority, although forces for the former could also be used for tasks in the latter.⁸³ Improved basing infrastructure in the north of Australia was required, as well as 'an increased offensive capability'.⁸⁴ The 1959 *Strategic Basis* was also the first to mention the possibility that Australia might have to acquire its own nuclear weapons at some stage in the future.⁸⁵

In his Cabinet submission, the Minister for Defence, Athol Townley, supported the document's conclusions and remarked that 'they will involve far-reaching changes in our defence preparations'.⁸⁶ However, in March 1959 Cabinet simply 'noted the submission', and gave particular attention to the conclusion that the Australian forces should be designed primarily with the ability to act independently of allies. It found difficulty in accepting this conclusion. Cabinet decided to discuss the matter again in the presence of the Chiefs of Staff, in order to include in its consideration the changes to the force structure that would flow from the proposed new policy tenets.⁸⁷ The background note to the Decision made clear that Cabinet saw the situations in which Australia might have to operate independently as remote, and that the *Strategic Basis* paper 'was thought to look too much towards the defence of the mainland' and that 'it did not appear clear to the Cabinet why it should now be contemplated that Australia should have no allies'.⁸⁸

⁷⁷ Edwards, *Crises and Commitments*, pp. 182-207; J.A.C. Mackie, 'Australia and Indonesia, 1945-1960', in Gordon Greenwood and Norman Harper (eds.), *Australia in World Affairs 1956-1960* (Melbourne: F.W. Cheshire, 1963), pp. 296-304.

⁷⁸ Defence Committee, *Strategic Basis of Australian Defence Policy*, 12 January 1959, paras 7, 18, 20-22, 33, Annex C 9, 12).

⁷⁹ *Ibid.*, paras 11-17.

⁸⁰ *Ibid.*, para 43.

⁸¹ *Ibid.*, para 44.

⁸² *Ibid.*

⁸³ *Ibid.*, para 48.

⁸⁴ *Ibid.*, paras 27, 39.

⁸⁵ *Ibid.*, para 54.

⁸⁶ Cabinet Submission No. 59, February 1959, NAA: A1838, TS677/3 PART 2.

⁸⁷ Cabinet Decision No 113, 23 March 1959, NAA: A1838, TS677/3 PART 2.

⁸⁸ Background Note to Cabinet Decision No. 113. 23 March 1959, NAA: A1838, TS677/3 PART 2.

In October 1959, Townley again submitted the *Strategic Basis* paper for 'general endorsement'.⁸⁹ He explained that 'I feel that there may have been some misconception as to what is meant' by independent action, highlighting the long-term nature of the aim and the fact that forces dependent on other countries' operational and logistic support were of lesser value in operations with allies. He noted that '[t]his proposal is in no way inconsistent with the accepted principle of Australian defence that we should seek security through regional defence arrangements and co-operation with our allies'.⁹⁰ When Cabinet considered the submission again in November 1959, it provided a more detailed reaction:

Cabinet noted the report presented in submission No. 59. However, it did not, as recommended in submission No. 424, give general endorsement to the report, and it is not to be assumed therefore that the Cabinet necessarily approves the report in all detail. In particular, the proposition that the Australian Forces should as an objective be designed primarily with the ability to act independently of allies was not endorsed. Views were expressed by Cabinet to the effect that in any war on the South-East Asian mainland, in which Australia would be fighting with major allies, there should be no obligation on the part of Australia or any expectation on the part of the allies that Australia, with its limited population and resources, should necessarily put forward self-supporting Forces. On the other hand, it was taken as conceivable that Australia could face a situation where it would be called upon to defend for a limited time independently of allies. This possibility indicates that the Australian Forces should be developed to be self-supporting to some degree. But this is a more limited and less ambitious concept of independent action than [sic] appeared to be envisaged in the strategic basis paper.⁹¹

To some extent, the reasons for Cabinet's hesitation in 1959 in endorsing the call for an independent capability were of a financial nature.⁹² Answering a request by the Chiefs of Staff for further guidance on the interpretation of this Decision, the Minister for Defence explained that the Cabinet's concept of independent action 'is being achieved as appropriate through the decisions on the three-year programme', such as new helicopters, light Army air and marine craft, and increased logistic support.⁹³ The following years would, however, illustrate more clearly what Cabinet had in mind: there was an acknowledged need for an independent operational capability in specific contingencies, but Australia's policy would not be based on a preference for independent action.

Growing Concerns about Indonesia and Indochina

Australia's international outlook in the first half of the 1960s was dominated by increasing concerns about, and prospects for military engagement in, conflicts in Indochina and Indonesia. In 1959, the communist Pathet Lao took up arms against the Laotian government again, leading to coups and countercoups in 1960 and a stand-off between two rival governments supported by different superpowers. During the first half of 1961, SEATO intervention seemed a serious possibility, and Cabinet decided on several occasions that Australia would in principle participate in such an operation alongside the United States. Also in 1959, North Vietnam began a covertly conducted armed conflict with the South, leading the United States to increase its

⁸⁹ Cabinet Submission No. 424, 23 October 1959, NAA: A1838, TS677/3 PART 2.

⁹⁰ Cabinet Submission No. 424, 23 October 1959, attached memorandum, p. 1, NAA: A1838, TS677/3 PART 2.

⁹¹ Cabinet Decision No. 522, 9 November 1959, NAA: A1838, TS677/3 PART 2.

⁹² Tange, *Defence Policy-Making: A Close-Up View, 1950-1980*, p. 11; Andrews, *The Department of Defence*, p. 176.

⁹³ Letter Minister for Defence to Secretary of Defence Committee, 18 December 1959, NAA: A1838, TS677/3 PART 2.

commitments to several thousand 'advisors' serving with the South Vietnamese armed forces by late 1961.⁹⁴ Closer to home, President Sukarno consolidated his hold on power in Indonesia after 1958, and sought Russian military aid in 1960. At the same time, Indonesia increased its diplomatic and military pressure on the Dutch in West New Guinea.⁹⁵

Against this backdrop, the Defence Committee endorsed a new *Strategic Basis* paper in January 1962. It noted that an intervention in South-East Asia might lead to a requirement for a larger deployment than was sustainable from Australia's regular forces, and that Indonesia could become 'a direct threat', or 'a useful barrier to communist expansion'.⁹⁶ The Committee agreed that Australia's security 'can best be achieved by a forward defence strategy', but a reduced British interest in the region and the weaknesses of SEATO made the importance of the United States paramount.⁹⁷ While its predecessor had looked ten years ahead, the 1962 *Strategic Basis* limited its time horizon to three years, and hence placed less emphasis on long-term objectives. In the face of the deteriorating strategic situation, 'a major objective' had to be 'the development of the means to contribute adequate forces in support of collective defence arrangements'.⁹⁸ While it reiterated that the 'objective should continue to be the progressive development of self-supporting forces', it emphasised the allies' demands for organic logistics in common defence operations rather than the fact that this would also provide greater capability for Australia to operate independently of its allies.⁹⁹

The *Strategic Basis* paper went to Cabinet with the defence program in July 1962. By that time, Indonesian and Dutch forces were skirmishing in West New Guinea, and Australia had committed a fighter squadron to Thailand, and a military advisor team to South Vietnam.¹⁰⁰ Cabinet deferred the consideration of the paper¹⁰¹ and when it considered it again in September, the Dutch had agreed, under US pressure, to a transfer of the administration of West New Guinea to Indonesia.¹⁰² In light of these developments, Cabinet 'noted the views set out' in the *Strategic Basis* paper, and 'called upon the Defence Committee to prepare an up-to-date appreciation of Australia's strategic position'.¹⁰³

⁹⁴ Edwards, *Crises and Commitments*, pp. 208-236.

⁹⁵ Mackie, 'Australia and Indonesia, 1945-1960', pp. 304-323; Gordon Greenwood, 'Australian Foreign Policy in Action', in Gordon Greenwood and Norman Harper (eds.), *Australia in World Affairs 1961-1965* (Melbourne: F.W. Cheshire, 1968), pp. 86-90.

⁹⁶ Defence Committee, *Strategic Basis of Australian Defence Policy*, 25 January 1962, paras 22, 54.

⁹⁷ *Ibid.*, paras 2, 35, 36, 44.

⁹⁸ *Ibid.*, para 33.

⁹⁹ *Ibid.*, para 62. The need to increase defence preparations, and to do so in that manner, was also highlighted in the Defence Committee's memorandum accompanying the *Strategic Basis*, see NAA: A1945, 83/2/8.

¹⁰⁰ Edwards, *Crises and Commitments*, pp. 237-252.

¹⁰¹ Cabinet Decision No. 344(M), 19 July 1962, NAA: A1945, 83/2/8.

¹⁰² Greenwood, 'Australian Foreign Policy in Action', pp. 90-94.

¹⁰³ Cabinet Decision No. 441, 7 September 1962, NAA: A1945, 83/2/8.

The resulting document on *Australia's Strategic Position* was endorsed by the Defence Committee in February 1963, following the Indonesian-supported Brunei revolt of December 1962, and only days after Indonesia announced the beginning of 'Konfrontasi' with Malaysia. It found that 'a further deterioration has taken place in Australia's strategic situation'.¹⁰⁴ In Vietnam, the United States was sustaining casualties and

*a contribution will be expected from Australia which is commensurate with our growing resources and our direct stake in the outcome. In some circumstances, such as might develop over eastern New Guinea, the degree of obligation which America feels to Australia under ANZUS could be influenced by the contributions which Australia makes to the common defence.*¹⁰⁵

In a re-statement of the 'domino theory', the paper agreed that Australia might also have to increase its effort in Malaya, as that country's Western alignment was essential to reduce the danger of Indonesia falling under communist control.¹⁰⁶ Ironically, support to Malaya might raise the likelihood of conflict with Indonesia over that country's opposition to the constitution of Malaysia.¹⁰⁷ Taking up the main theme of the 1959 *Strategic Basis*, the *Strategic Position* paper warned that in a conflict with Indonesia,

*Australia could well be left to handle the situation with her own resources and without the assistance of the United States. Situations such as these could arise at the same time as an emergency involving the deployment of our forces nominated under SEATO plans.*¹⁰⁸

Hence, the Defence Committee remarked that

*[s]ome increase in the scale of defence programming will be necessary if our military capability is to be such that we can make an effective and sustained contribution to South-East Asia and at the same time deter Indonesia from possible activities inimical to our strategic interests.*¹⁰⁹

When it considered the document, Cabinet 'generally' accepted its views, and

*having in mind not only the possible risk of military involvement with Indonesia, but also the fact that Australia's military strategy is based on the maintenance of a forward position in South-East Asia, agreed that Australia should continue to support the creation of Malaysia and to accept the risk that thereby we may cause tension in our relations with Indonesia.*¹¹⁰

Cabinet also stated that it

*agreed that there should be an increase in the present scale of defence programming ... not only to ensure the security of the Australian mainland and East New Guinea, but also to enable us to make an effective and sustained contribution in South-East Asia and to present a deterrent to possible activities by Indonesia inimical to our strategic interests.*¹¹¹

¹⁰⁴ Defence Committee, *Australia's Strategic Position*, 4 February 1963, para 34.

¹⁰⁵ *Ibid.*, para 25.

¹⁰⁶ *Ibid.*, paras 26-28.

¹⁰⁷ *Ibid.*, paras 17, 18, 30.

¹⁰⁸ *Ibid.*, para 31.

¹⁰⁹ *Ibid.*, para 36.

¹¹⁰ Cabinet Decision No. 675, 5 March 1963, NAA: A1945, 83/2/8.

¹¹¹ *Ibid.*

By 1963, Australia's *force employment* policy was thus still dominated by the need to support its main allies in South-East Asia. In terms of *force development*, however, Cabinet now supported the need for Australian capability to act independently of allies against Indonesia. It substantially increased military expenditure, raising the strength of the regular army, purchasing 40 additional Mirage fighters, a third DDG, and ordering 24 F-111 bombers.

Before the Defence Committee endorsed the next *Strategic Basis* paper in October 1964, Australia had begun to make relatively minor military commitments to assist Malaysia against 'Konfrontasi' in Borneo, and had increased its training effort in Vietnam. However, the Gulf of Tonkin incident and the beginning of more substantial landings of Indonesian soldiers in Malaya itself, both in August of 1964, foreshadowed escalations of both conflicts that would lead to much more substantial Australian troop commitments.¹¹² The 1964 *Strategic Basis* noted that Australia might have to commit forces to the South-East Asian mainland 'on a scale which could approach the proportions of a limited war', and that it should be simultaneously able to help Malaysia resist 'Konfrontasi', respond to similar attacks on Papua New Guinea (PNG), and maintain 'offensive capacity sufficient to deter Indonesia' from inimical action.¹¹³ The overriding US aim with regard to Indonesia was to prevent the country from becoming communist. Australia's interests in Indonesia, which derived from its geographic location in the region, would not always be shared by its main ally.¹¹⁴ Further increases in the size and capability of the defence forces would be required,¹¹⁵ as they were indeed brought about by the reintroduction of conscription only weeks later.

At the same time, the 1964 *Strategic Basis* was also remarkably sanguine about the viability of Australia's forward defence posture, which should be maintained 'for as long as possible'.¹¹⁶ But the situation in South Vietnam 'may be beyond recovery', while internal weaknesses of Malaysia might lead to a reduction in Western influence and basing rights, in which case 'Australia's forward defence posture would be most difficult to sustain'.¹¹⁷

In its Decision on the 1964 *Strategic Basis*, Cabinet

*noted, and endorsed, the statement in paragraph 70 of the situations short of limited war for which Australia should be prepared to provide forces without prejudice to a limited war capability. It also noted, and also endorsed, the policy statement set out in paragraph 65 concerning the maintenance of a forward defence policy and readiness to respond to Indonesian policies and activities.*¹¹⁸

¹¹² Edwards, *Crises and Commitments*, pp. 285-323.

¹¹³ Defence Committee, *Strategic Basis of Australian Defence Policy*, 15 October 1964, paras 45, 67,70.

¹¹⁴ *Ibid.*, para 43.

¹¹⁵ *Ibid.*, para 78.

¹¹⁶ Defence Committee, *Strategic Basis of Australian Defence Policy*, 15 October 1964, para 66.

¹¹⁷ *Ibid.*, paras 10, 59.

¹¹⁸ Cabinet Decision No. 592, 4 November 1964, para 2, NAA: A1945, 83/2/9.

However, it also

*raised for consideration the question whether the possibility of Australian forces being required to act without the assistance of United States armed forces against Indonesian activities in Papua New Guinea is sufficiently recognized and sufficiently provided for in military planning.*¹¹⁹

Five years after the 1959 *Strategic Basis*, but still before Australia's main commitments to 'Konfrontasi' and Vietnam, the capability to act independently of allies had thus become a major government concern—although it complemented rather than replaced Australia's forward defence policy.

In September 1965, an attempted coup in Indonesia led to sustained anti-communist purges and the gradual removal from power of President Sukarno. One year later, Jakarta formally ended 'Konfrontasi' against Malaysia. In November 1966, the Defence Committee endorsed an *Interim Review of the Strategic Basis of Australian Defence Policy* for planning purposes which took account of recent events. It reiterated that a forward defence policy with allies in South-East Asia was 'the best course' available, while Australia also needed to be able to deal independently for a short time with a resurgent Indonesia.¹²⁰ But while Australian engagement in Malaya to contain communism had previously raised the possibility of tensions with Indonesia, the reverse was now the case: the end of 'Konfrontasi' raised uncertainties about the future British presence in the region, a reduction of which could lead to the threat to South-East Asia and Australia of communism increasing 'significantly'.¹²¹ Ultimately, however, Australia's 'forward defence presence in South Vietnam, Thailand or elsewhere depends on the continuance of a United States commitment to mainland South-East Asia'. Should US policy change in this regard, 'a credible alternative strategy can still be maintained so long as the United States and her allies remain in the occupancy of the island chain from Japan to New Guinea'.¹²² In the longer term, the failure of the 'allied forward strategy' could lead to a communist South-East Asia, including Indonesia, although there would be warning time of such a development that 'would have to be used for the expansion of our forces as rapidly as possible'.¹²³ While the force structure remained primarily designed for limited war, a 'potential for expansion' should now also be provided.¹²⁴

The establishment of Suharto's 'new order' in Indonesia and British moves towards reducing its presence in South-East Asia continued over the next year. In March 1967, the Joint Planning Committee endorsed another update of the *Strategic Basis* paper, which differed only in minor detail from the previous year's version. However, it added that if bases in South-East Asia were no longer available, 'the initial defence of Australia and the security of our communications would depend primarily on sea and air power based on Australia and the island chain'.¹²⁵

¹¹⁹ Ibid., para 3.

¹²⁰ Defence Committee, *Interim Review of the Strategic Basis of Australian Defence Policy*, 24 November 1966, para 39, NAA: A1838, TS677/3 PART 10.

¹²¹ Ibid., paras 20, 21, 29, 34.

¹²² Ibid., para 40.

¹²³ Ibid., paras 41, 42.

¹²⁴ Ibid., paras 51.

¹²⁵ Joint Planning Committee, *Strategic Basis of Australian Defence Policy – 1967*, 21 March 1967, para 33, NAA: A1838, TS677/3 PART 10.

An Independent Role in South-East Asia

In May 1967, the Defence Committee asked for a second revision in light of recent developments, which again only changed the document in detail, but for the first time introduced the idea of independent Australian influence in South-East Asia:

*In the longer term there will be a requirement for Australia and New Zealand to plan for the development of an alternative influence in Malaysia and Singapore to counter the steadily decreasing and possible disappearance of United Kingdom military influence from the area.*¹²⁶

Bill Pritchett, then with the Defence Liaison Branch of the Department of External Affairs, wrote to the Secretary of his department that

*the paper is still largely written around the threat of expanding, aggressive, international communism, the danger of Chinese attacks, our role in Malayan-type insurgency etc., and needs bringing up to date. The situation has changed in several ways, and has become more complex. The changes required by developments in the British position should be made the occasion for a critical review of the basic concepts and assumptions of the paper.*¹²⁷

The Defence Committee endorsed the *Strategic Basis of Australian Defence Policy – Second Revision 1967* as a background for a further review,¹²⁸ which was to become the 1968 *Strategic Basis*. Endorsed by the Defence Committee in August 1968, it was by far the longest and most comprehensive *Strategic Basis* paper to date, and the first to make regular use of the phrase ‘defence of Australia’.¹²⁹ The Defence Committee noted that despite difficulties in Indochina, Thailand was unlikely to fall to communism, and that the United States would remain committed to its defence.¹³⁰ Indonesia, Malaysia and Singapore had become more stable, and had ‘decisively defeated’ domestic communists.¹³¹ Hence, the paper broke with the ‘domino theory’ that had been so influential on its predecessors of earlier years. Australia still had to be able to counter independently a possible future threat from Indonesia, due to the US reluctance in deploying forces.¹³² However, the paper noted that the main military challenge was to counter insurgency,¹³³ or ‘brush-fire wars which do not attract sufficient and timely reaction but which ultimately threaten security’, as the Minister for Defence emphasised in Cabinet.¹³⁴ Regional governments needed assistance in addressing the economic and political sources of insurgency, and Australia should use political, economic and, in Malaysia and Singapore, limited military means to reassure South-East Asian countries.¹³⁵ After a settlement in

¹²⁶ Defence Committee, *Strategic Basis of Australian Defence Policy – Second Revision 1967*, 6 July 1967, para 30, NAA: A1838, TS677/3 PART 11.

¹²⁷ Letter W.B. Pritchett to Secretary of External Affairs, 5 July 1967, NAA: A1838, TS677/3 PART 11.

¹²⁸ Defence Committee Minute No. 48/1967, 6 July 1967, NAA: A1838, TS677/3 PART 11.

¹²⁹ The 1959 *Strategic Basis* had already contained a single, capitalised use of that term: Defence Committee, *Strategic Basis of Australian Defence Policy*, 12 January 1959, para 23.

¹³⁰ Defence Committee, *Strategic Basis of Australian Defence Policy*, 19 August 1968, paras 71-73, 124, 136-139.

¹³¹ *Ibid.*, paras 78, 170.

¹³² *Ibid.*, paras 105-107, 109, 164-165, 217, 220.

¹³³ *Ibid.*, paras 127-135.

¹³⁴ Cabinet Decision No. 762 – Supplementary Note, 19 November and 4 December 1968, para 2, NAA: A5619, C470 PART 2.

¹³⁵ Defence Committee, *Strategic Basis of Australian Defence Policy*, 19 August 1968, paras 97-100, 145-155.

Vietnam, Australia should neither station forces in the region indefinitely nor exclude the possibility of deploying them to South-East Asia from Australia, under SEATO or other arrangements, if circumstances required.¹³⁶ Greater independence from the United States would lead to greater discretion in the use of force, and developing forces with a capacity for independent action would provide insurance should the new policy fail.¹³⁷

The Gorton Cabinet considered the *Strategic Basis* document over two days in November and December 1968, producing a Decision six pages long. It

*saw the Report of the Defence Committee as a wide-ranging analysis ... going in many instances beyond the immediate question of the basis of Australian defence policy ... and thus going beyond the range of total detailed endorsement.*¹³⁸

With regard to the statement of strategic interests in paragraph 167 of the *Strategic Basis* paper, it

*accepted them as guidelines, though with the gloss that other strategic interests might well be added – in particular, Australia's interest in developments in the Indian Ocean, the need to emphasize the importance of the Five Power arrangements as a basis for future activities and to obtain the best results from them, including in the sense of stimulating Malaysia and Singapore in their own security and defence effort, and the need to sustain a continuing British interest in the area of South-East Asia.*¹³⁹

It 'endorsed' paragraphs 177-179 with their discussion of a need for future flexibility, 'which it regarded as central to future defence policy'.¹⁴⁰ It confirmed Australia's willingness to exercise independent military influence by noting that 'Cabinet does not reject a future military involvement in Asia',¹⁴¹ and that regarding

*the observation in paragraph 179 that the achievement of strategic flexibility would not carry the connotation that Australia would 'necessarily' have forces overseas continuously, the Cabinet observed that neither should it be assumed that forces would not remain continuously overseas.*¹⁴²

However, Cabinet also clarified the limits to Australia's scope for independent action, making a proposition that

*concerned Australia's area of involvement. This proposition, which was accepted, was first that Australia should stand ready to join with the United States in military action in South-East Asia in accordance with SEATO, but second, apart from a SEATO situation Australia would regard Malaya (i.e. excluding East Malaysia) and Singapore as its area of primary concern.*¹⁴³

¹³⁶ Ibid., paras 176-179, 185-187, 200.

¹³⁷ Ibid., paras 187, 189-191.

¹³⁸ Cabinet Decision No. 762, 19 November and 4 December 1968, para 1, NAA: A5619, C470 PART 2.

¹³⁹ Ibid., para 2.

¹⁴⁰ Albeit with the slight amendment of substituting 'effective' for 'complete' in paragraph 177. Ibid., para 5.

¹⁴¹ Ibid., para 7.

¹⁴² Ibid., para 9.

¹⁴³ Ibid., para 8.

With regard to the role of Australian forces in Malaysia and Singapore, Cabinet

*recalled its previous endorsement of statements made to Malaysia and Singapore at the time of the Five Power Talks, to the effect that Australian forces were not available for use in any local disputes between Malaysia/Singapore and their immediate neighbours, nor for internal disorder except when externally promoted insurgency was beyond the capacity of the local forces to handle.*¹⁴⁴

It concluded by 'recognizing, and reaffirming, the commitment ... to maintain forces in Malaya and Singapore',¹⁴⁵ and added that with regard to Navy and Air Forces, 'it would stand ready to allow these forces to stay in Malaya and Singapore beyond 1971',¹⁴⁶ while

*[i]n the case of ground forces, the beyond 1971 position was left open. The Cabinet specifically indicated that there should be no decision at this stage to withdraw after 1971 and that a ground force presence beyond 1971 is at present neither ruled out nor guaranteed. The general objective is to retain flexibility and to make assessments and judgements as necessary, taking into account the attitude and performance of Malaysia and Singapore, and the attitude and posture in the area of the United States.*¹⁴⁷

By 1968, the spectre of South-East Asian countries consecutively falling to communism had thus ceased to dominate Australia's strategic outlook, and was replaced by a greater level of uncertainty about future developments, but also a greater confidence about the nascent resilience of the region. Australia was keeping its options open, and was willing to play an independent role in Malaya and Singapore. However, that role was carefully circumscribed to minimise the potential for friction with Indonesia, and to limit the likelihood of Australian forces being called upon to contribute to counter insurgency. Importantly, it also depended on an overall framework of US engagement in the region.

The next *Strategic Basis* paper, endorsed by the Defence Committee in March 1971, highlighted the constraints on a future Australian forward defence posture. It noted that the positive trends in the region, identified three years before, had continued and that following the Nixon doctrine, future US assistance depended 'on the degree to which Australia helps itself' rather than on its contributions to the common defence.¹⁴⁸ Hence, 'Australia must pursue her own security interests by her own efforts more than was necessary before', and could provide a limited counterweight to outside influence in South-East Asia.¹⁴⁹ But it could not independently defend other countries, and Australian forces in Malaysia and Singapore remained there primarily for political and diplomatic reasons.¹⁵⁰ There was, hence, 'no single or clear contingency' to base force development policy on, and 'more emphasis than hitherto should be given to the continuing fundamental obligation of continental defence'.¹⁵¹ Within the Defence organisation, separate documents on the *Environment of the*

¹⁴⁴ Ibid., para 10.

¹⁴⁵ Ibid., para 12.

¹⁴⁶ Ibid., para 13.

¹⁴⁷ Ibid., para 14.

¹⁴⁸ Defence Committee, *Strategic Basis of Australian Defence Policy*, 5 March 1971, paras 6, 7, 19, 20, 23-26, 34, 40.

¹⁴⁹ Ibid., paras 16, 103-109, 166, 170.

¹⁵⁰ Ibid., paras 17, 19, 68, 72-74.

¹⁵¹ Ibid., paras 182, 184.

1980s and *Environment of Future Australian Military Operations* (or *EFAMO*) laid the basis for numerous studies of this 'fundamental obligation' in subsequent years.

In his submission to Cabinet, Minister for Defence, John Gorton, wrote that 'the Report points to the need for our foreign and defence policies to continue to develop a more independent character consonant with our growth in wealth and strength', and that '[t]he development of an increasingly independent military capability backed by an increasingly independent defence infrastructure carries major cost implications.' He went on to state that

*If we are, as I believe we must, progressively to enlarge Australia's independence of decision and therefore of capabilities I think we must accept that the price of that independence will have to be paid.*¹⁵²

The formal Decision of the McMahon Cabinet on the *Strategic Basis* paper stated that it 'noted the report', and that

*Against the background that it is Australia's own interests that are of fundamental importance, it noted in particular paragraph 167 of the Report which showed requirements for force capabilities.*¹⁵³

As paragraph 167 listed a number of contingencies that might arise in the course of Australia's remaining 'forward defence' commitments, and Cabinet did not 'endorse' any part of the 1971 *Strategic Basis*, it is clear that it did not support the paper's main argument. Given the brevity of the formal Decision, an official in the Department of Prime Minister and Cabinet (PM&C) wrote to the Prime Minister that

*The Cabinet discussion reflected a strong feeling that the orientation of Australia's defence policies should be sustained as much as it is at present. This being so it is important that the officials concerned with the development of the defence programme and force structures should be clear as to the position. I would propose that we should be in touch with [members of the Defence Committee] with a view to ensuring that the position is comprehended.*¹⁵⁴

Additional documents prepared by officials in PM&C indicate that Prime Minister McMahon did not seem convinced by the argument in the *Strategic Basis* paper regarding US policy. He was reported arguing that 'we must rely for our forward defence policy on support from the United States, even though it is difficult to know just what they want from us', and that 'our policy must be one of defence beyond the Continent, partly because of the cost of Continental defence'.¹⁵⁵ The papers also noted that '[a]lthough Cabinet had put to it a view that large additional funds would be called for to meet defence requirements, it did not assent to this view'.¹⁵⁶

However, there also seems to have been a more general reluctance to change Australia's defence posture, and to engage with the details of the *Strategic Basis* paper as Cabinet had been willing to do in 1968.¹⁵⁷ The Prime Minister was summarised as stating that 'politically, we cannot afford to be seen to be reducing the

¹⁵² Cabinet Submission No. 107, 19 May 1971, para 6, NAA: A5619, C470 PART 2.

¹⁵³ Cabinet Decision No. 197, 8 June 1971, NAA: A5882, CO1191.

¹⁵⁴ Letter Lawler to Prime Minister, 9 June 1971, NAA: A5882, CO1191.

¹⁵⁵ Letter P.H. Bailey to Prime Minister, 7 June 1971, paras 4, 5, NAA: A5882, CO1191.

¹⁵⁶ Letter P.H. Bailey to Prime Minister, 18 June 1971, Notes, para 8, NAA: A5882, CO1191.

¹⁵⁷ An interpretation that is congruent with Tange, *Defence Policy-Making: A Close-Up View, 1950-1980*, pp. 34-46.

defence effort',¹⁵⁸ and the papers report that '[t]here was a clear view in Cabinet against exaggerated emphasis on continental defence and Cabinet indicated, in terms, that it did not accept the concept of 'Fortress Australia''.¹⁵⁹ Instead,

*the Cabinet reflected a view that Australia should sustain a forward defence element for as long as she can and 'not be prepared to depart from a wish and a will to have defence as far away from Australia as possible'. ... The Cabinet's attitude was against the background of some questioning of the emphasis given to naval and air forces in the case as put and a willingness, reflected in the Cabinet discussion, to see ground troops stationed in Malaysia and other forward areas.*¹⁶⁰

Therefore, 'Cabinet did not accept an emphasis suggesting that the one test in the acquisition of arms or capacity should be whether such would contribute to the defence of continental Australia'.¹⁶¹ Instead,

*The whole thrust of the Cabinet discussion was that forward defence stands and the inclusion in the Cabinet Discussion of a reference to paragraph 167 of the report was precisely to minimise impressions which Cabinet felt might otherwise be conveyed by paragraph 184 of the report or any impression that Australia is becoming isolationist.*¹⁶²

In a manner not unlike the reaction of its predecessor to the *Strategic Basis* of 1959, Cabinet thus did not accept the Defence Committee's arguments in 1971 for a re-orientation of Australia's defence policy towards a greater focus on the defence of Australia. Again, that judgement was to change within a few years' time. This time, however, it would be domestic political change, rather than adverse international developments, that brought the views held by government and its advisors in the Defence Committee back into closer alignment.

Self-Reliance, Expansion Capability and Low-Level Contingencies

The 1971 *Strategic Basis* had highlighted the difficulties of a future 'forward defence' policy, be it in conjunction with allies or in an independent capacity. But it did not yet set out a clear alternative that could guide subordinate defence planning and policy decisions. This was to be the focus of the *Strategic Basis* papers during the mid-1970s, two of which fell into the time of the new Labor government under Gough Whitlam.

In June 1973, the Defence Committee endorsed a *Strategic Basis* paper that assessed Australia's strategic situation for the next 15 years, and highlighted the importance of an expansion capability to meet future threats.¹⁶³ It was the first to include separate sections on global issues, South-East Asia, and Australia's own 'neighbourhood', establishing a structure that would be used by subsequent guidance documents to the present day. The paper noted that the 'strategic situation contrasts strongly with that which faced Australia ten years ago', that ASEAN members showed both progress in nation-building, and 'acute' hostility towards communism, and that there was no 'significant likelihood of a threat of armed attack upon

¹⁵⁸ Letter P.H. Bailey to Prime Minister, 7 June 1971, para 2, NAA: A5882, CO1191.

¹⁵⁹ Letter P.H. Bailey to Prime Minister, 18 June 1971, Notes, para 3, NAA: A5882, CO1191.

¹⁶⁰ *Ibid.*, paras 4, 7.

¹⁶¹ *Ibid.*, para 5.

¹⁶² *Ibid.*, para 9.

¹⁶³ Defence Committee, *Strategic Basis of Australian Defence Policy*, 1 June 1973, para I-6.

Australia'.¹⁶⁴ Indonesia was now interested in a stable region and saw Australia 'as an ally rather than an enemy'.¹⁶⁵ There was a 'need for greater self-reliance and the ability to act independently' in the defence of Australia, although capabilities 'that would give it the choice to contribute assistance in the case of strong external attack by exploitation of insurgency' in South-East Asia should also be retained.¹⁶⁶ But force structure requirements drawn from specific identifiable tasks were 'insufficient in themselves to provide a valid base for force structure development'.¹⁶⁷ Hence, a 'comprehensive study', later known as the 'Defence of Australia' study, was to 'be initiated on continental defence'.¹⁶⁸ Australia 'must make allowance for circumstances which we cannot now predict'; in such cases 'warning and lead times will then become of substantial significance'.¹⁶⁹ Reserves, as well as 'nuclei' in the regular force, were important to provide an expansion base, which equipment purchases and force size should emphasise over present capability in the force-in-being.¹⁷⁰

The 1973 *Strategic Basis* was lodged with the Cabinet Secretariat as part of a Cabinet submission by the Minister for Defence, Lance Barnard,¹⁷¹ but Prime Minister Whitlam decided not to circulate the paper to the other Ministers, and the submission was withdrawn. According to notes placed on file in PM&C, the Prime Minister said that the *Strategic Basis* 'paper was 'conservative' and would arouse strong criticism', and that 'he could not see any acceptance of Australian involvement in 'insurgency', at least not for the next two or three years.' In April 1974, the Whitlam Cabinet 'noted' a submission providing background to major procurement programs, which summarised the main tenets of Australian defence planning in eight pages. However, the submission did not contain any reference to the existence of the *Strategic Basis* document itself, which was never re-submitted to Cabinet for consideration.¹⁷²

Instead, the government's directives regarding the 1973 *Strategic Basis* took the form of a letter by the Minister for Defence to Sir Arthur Tange, in his function as Chairman of the Defence Committee. The Minister wrote that as a result of discussions with the Prime Minister and Foreign Minister, 'the Government has accepted the conclusions of the Report as expressed in Part VII', and that it 'has noted the assessment of the threats to Australia as outlined in Part V and endorses this assessment.' The letter went on to state that

¹⁶⁴ Ibid., paras III-24, 28; VII-1, 14.

¹⁶⁵ Ibid., paras IV-11-14.

¹⁶⁶ Ibid., para VII-5, 17.

¹⁶⁷ Ibid., paras VII-30.

¹⁶⁸ Ibid., para VII-35.

¹⁶⁹ Ibid., paras VII-1, 28.

¹⁷⁰ Ibid., paras I-11; VII-22, 23, 35, 36, 38.

¹⁷¹ Cabinet Submission No. 409, June 1973, NAA: A5931, CL1030.

¹⁷² Minister for Defence, Submission No. 1004, April 1974; and Cabinet Decision No. 2186, 7 April 1974, both in NAA: A5915, 1004.

In accepting these conclusions it must be stressed that this Government has no intention in present and foreseen circumstances of committing combat forces in a counter-insurgency role. I note the reference to 'an element which could be deployed should a future government wish it'. (p 81)^{173]} Of course no procurement or training is to be undertaken specifically for a deployment, foreseen or conjectured as desirable for a future government, but not favoured by this Government.¹⁷⁴

An attachment to the letter contained more detailed guidance on a number of issues. The government did not see the domestic stability of regional states as a 'strategic interest in its own right' for Australia, and supported the regional neutrality of South-East Asia.¹⁷⁵ It 'wishes to avoid interference in the internal affairs of other countries by deliberate support of governments against their domestic opposition', which had consequences for the type of defence aid that could be provided to countries in South-East Asia, and it was 'opposed to the stationing of British forces in the area other than for the purpose of providing assistance in the training of indigenous forces'. The attachment also noted that the *Strategic Basis* document should have discussed possible threats 'other than from nation states', such as 'guerrilla organizations' and 'large commercial organizations'.¹⁷⁶

In the *Strategic Basis* paper of 1975, the Defence Committee identified the same 'strategic influences' as in 1973, but a 'more uncertain' outlook as a stable global balance could nevertheless be accompanied by significant change in relationships at a regional level.¹⁷⁷ It dropped references to the use of Australian troops against insurgencies in South-East Asia, but introduced the need to prepare for 'low-level contingencies' in the defence of Australia as a second major force structuring principle besides the expansion capability to meet a larger threat. 'Australia's obligations are first to itself' as it had to deal with regional threats on its own.¹⁷⁸ The maintenance of 'present favourable circumstances' was a task for the 'political arm of policy', while defence policy was primarily concerned with adverse contingencies—although no need existed to prepare for combat operations in South-East Asia, or a substantial Indonesian assault on PNG.¹⁷⁹ The USSR's naval presence in the North West Indian Ocean was increasing and required an Australian capability for surveillance and response. Major threats would take time to develop, but capabilities to deal with the unlikely contingencies of a low-level, short warning conflict with Indonesia or PNG had to be included in the force-in-being.¹⁸⁰ Capabilities for major contingencies would not necessarily be cost effective for that task, and were of a less immediate priority—although 'careful attention' should be paid to 'warning time, decision time and various lead times' in the expansion base.¹⁸¹

¹⁷³ Defence Committee, *Strategic Basis of Australian Defence Policy*, 1 June 1973, para VII-5.

¹⁷⁴ Letter Minister for Defence to Chairman Defence Committee, 29 January 1974, NAA: A4087, D106/1/3 PART 1.

¹⁷⁵ The letter makes explicit reference to paras I-4, VI-64 of Defence Committee, *Strategic Basis of Australian Defence Policy*, 1 June 1973.

¹⁷⁶ Letter Minister for Defence to Chairman Defence Committee, 29 January 1974, attachment, NAA: A4087, D106/1/3 PART 1.

¹⁷⁷ Defence Committee, *Strategic Basis of Australian Defence Policy*, 3 October 1975, paras 8, 20, 30-35, 50, 71, 247.

¹⁷⁸ *Ibid.*, paras 159, 204, 275, 282.

¹⁷⁹ *Ibid.*, paras 229, 241, 278, 280.

¹⁸⁰ *Ibid.*, paras 10, 22, 52-53, 123, 153, 154, 203, 236-238.

¹⁸¹ *Ibid.*, paras 155, 248, 249, 255-259.

The new Prime Minister, Malcolm Fraser, read the 1975 *Strategic Basis* with some degree of scepticism. He asked Sir Arthur Tange to identify policy assumptions in the paper with which the new government may not agree.¹⁸² In his response, Tange highlighted a number of passages that were at odds with the *previous* government's policies, and ended by stating that 'I consider that the paper is an objective statement of the consensus in the Defence Committee'.¹⁸³ However, notes in the Prime Minister's personal papers also raised a number of detailed concerns about the analysis contained in the *Strategic Basis* paper, especially with regard to the implications of global developments for Australia's security. The notes include remarks to the effect that factors that increased the stability of Australia's strategic position were consistently given more weight than factors leading to instability. It was noted that the 1975 *Strategic Basis* suggested that Australia expand its defence capability only in response to a threat rather than also in reaction to a general deterioration of strategic circumstances that merely increased the likelihood of a threat developing, as its predecessor had done. The notes criticised that the document saw the United States as concentrating on its vital interests, without discussing the extent to which Australia's security was among these. Furthermore, several paragraphs¹⁸⁴ were interpreted as indicating that Australia might consider reducing its support for the United States under Soviet pressure.¹⁸⁵

In April 1976, the Minister for Defence, James Killen, brought the 1975 *Strategic Basis* to Cabinet 'for consideration' without making the usual comments on its content or a formal submission.¹⁸⁶ Cabinet decided that it:

- (a) did not accept the paper as drafted;
- (b) requested the Defence Committee to review the paper, with particular attention to:-
 - (i) a full analysis of the global situation, including relations between the great powers and their likely effect on a 'neighbourhood' defence policy concept; and
 - (ii) an examination of wider regional issues of concern to Australia and their implication for Australian defence policy¹⁸⁷

In response to the Cabinet's request, the Defence Committee endorsed a new document, the *Australian Strategic Analysis and Defence Policy Objectives* (or *ASADPO*) paper, in September 1976. It came to similar conclusions and force structure recommendations as the 1975 *Strategic Basis*, but discussed the impact of global and regional uncertainties on Australian strategic policy in more detail—in particular, with regard to the US alliance and the nature and scope of Australian defence involvement in South-East Asia. *ASADPO* recommended that Australia make a surveillance contribution to Western military effort in the Indian Ocean, but was clear that the main responsibility for countering the Soviet presence there lay with the United States.¹⁸⁸ The link between the support that the United States would

¹⁸² Letter D.J. Killen to Prime Minister, 5 April 1976, NAA: A10756, LC183 PART 1.

¹⁸³ Letter A.H. Tange to D.J. Killen, April 1976, NAA: A10756, LC183 PART 1. The Prime Minister nevertheless laid part of the blame for what was in his eyes an insufficient treatment of the implications of the central balance on his Labor predecessors. See Russell Skelton, 'PM's defence charge', *The Age*, 8 July 1976.

¹⁸⁴ In particular, paras 161, 162, 169 of Defence Committee, *Strategic Basis of Australian Defence Policy*, 3 October 1975.

¹⁸⁵ Personal Papers of Prime Minister Fraser, 'Notes on the strategic basis 1975', undated and without author, NAA: M1276, 225 PART 2.

¹⁸⁶ FAD Paper No. 14, 1 April 1976, NAA: A12934, FAD14.

¹⁸⁷ Cabinet Amended Decision No. 448 (FAD), 13 April 1976, NAA: A13075, 448/FAD AMENDED.

¹⁸⁸ Defence Committee, *Australian Strategic Analysis and Defence Policy Objectives*, 2 September 1976, paras 56, 62-68, 70, 72, 361.

provide to Australia in times of conflict and the US interests involved received particular attention. On the one hand,

*the US might react quite strongly to some militarily 'low-level' situation, which, however, exposed its own interests—such as small-scale harassment of Australia by the USSR or some dispute involving Law of the Sea.*¹⁸⁹

On the other hand, US interests in Indonesia meant that '[t]he general proposition about Australia's security from major military threat, and the assurance of US combat support, need qualification in respect of Indonesia',¹⁹⁰ because in that situation '[t]he threshold of US military intervention could be quite high'.¹⁹¹ Hence, 'self-reliance should be developed for national tasks in which US support is likely to be uncertain'.¹⁹² This was a much closer link of the concept of self-reliance to the reservations about US support than indicated publicly in the 1976 *Australian Defence White Paper*.¹⁹³

The main burden of providing military assistance to Malaysia and Singapore under the Five Power Defence Arrangements (FPDA) now rested with Australia, but Australian intervention 'could not be expected to be decisive', was 'not a foregone conclusion', and its 'policy concept ... would appear political rather than military'.¹⁹⁴ In any case, '[a]ny request for help on a significant scale would seem likely to be directed to Indonesia', and '[w]hat the Indonesians were going to do, if anything, would therefore be important for Australian policy'.¹⁹⁵ The deployment of fighter aircraft to Malaysia tied Australia to local developments, but was valued within the region as a signal and, 'provided a policy of avoidance of substantial involvement is agreed', no specific force structure requirement arose from Australia's commitments under the FPDA.¹⁹⁶

When the Minister for Defence submitted *ASADPO* for consideration, Cabinet 'endorsed' the paper

*for planning purposes ... on the clear basis that no particular sentence or section of the paper had specific endorsement or should be used privately or publicly to imply Government commitment later to particular expenditure proposals.*¹⁹⁷

After a period of transition from a policy of 'forward defence' to one of the 'defence of Australia', the main tenets of a new strategic concept had thus been developed by 1976, and had found bi-partisan support. Australian interventions in South-East Asia or further afield were not excluded as possibilities, but Australia did not seek direct military influence beyond its immediate neighbourhood. In a situation without perceptible threat, the 'core force' should be able to expand in response to developments that would influence the likelihood of a future threat developing. At the same time, the force-in-being had to be able to deal with credible low-level

¹⁸⁹ Ibid., para 321.

¹⁹⁰ Ibid., para 86.

¹⁹¹ Ibid., para 85.

¹⁹² Ibid., para 388; see also 324.

¹⁹³ See: Department of Defence, *Australian Defence* (Canberra: Commonwealth of Australia, 1976), pp. 10, 12.

¹⁹⁴ Ibid., paras 180, 196, 197.

¹⁹⁵ Ibid., 186, 192.

¹⁹⁶ Ibid., paras 177-185, 198, 370.

¹⁹⁷ Cabinet Decision No. 1655 (FAD), 18 October 1976, NAA: A12909, 696.

contingencies in Australia's North. All three of these elements would remain, in a varying order of priority, the basis of Australian defence planning for more than two decades.

AUSTRALIAN STRATEGIC GUIDANCE 1979-2007

The last of the *Strategic Basis* papers passed through the Fraser Cabinet in 1983, three decades after the adoption of the first of its kind in 1953. That document, as well as its predecessor of 1979 and the associated submissions and Cabinet Decisions, do not become eligible for declassification until the passing of 30 years. Therefore, this section summarises publicly available information about the last two *Strategic Basis* papers, and discusses the reasons why that format of strategic guidance documents was abandoned in the early 1980s. It ends by tracing the development of Australian strategic guidance, as accessible in public documents, until the time of writing, in order to link the concepts and ideas embedded in the documents included in this edition to the defence policy and planning issues of later decades.

The 1979 and 1983 *Strategic Basis* Papers and Disagreements on Capability Priorities

Neither the 1979 nor the 1983 *Strategic Basis* departed from the broad policy outlines that had been established by 1976. A 1986 submission by the Department of Defence to the Joint Committee on Foreign Affairs and Defence quotes the 1979 *Strategic Basis* as stating that Australia had to be 'serious and competent in defence matters, and capable of responding effectively to low level pressures or military attacks and of timely expansion for responses to more substantial threat'.¹⁹⁸ The Department also made public that the 1983 *Strategic Basis*

emphasised that the force-in-being should not be regarded as static 'until a threat has materialized' but rather, in accordance with the concept of warning time, as 'one responsive to any strategic change with the potential for weakening Australia's security'.¹⁹⁹

The Department also noted that the 'possibility of invasion is being addressed, but priority in the development and readiness of forces is given to more limited contingencies with political rather than military aims'.²⁰⁰ However, even for these, 'there would need to arise a dispute sufficient to support resort to hostilities. They would thus be preceded by a period of mounting tension'.²⁰¹ Hence,

The paper also proposed that 'more advantage should be taken of present favourable circumstances to develop and consolidate the supporting infrastructure, systems and services on which any operations in a defence emergency and defence expansion would critically depend'.²⁰²

¹⁹⁸ Department of Defence, *Key Elements in the Triennial Reviews of Strategic Guidance since 1945*, Submission to the Parliamentary Joint Committee on Foreign Affairs and Defence, 17 February 1987, *Inquiry into the Management of Australia's Defence and National Security*, Official Hansard Report, Submissions and Incorporated Documents, Volume II, p. 15.

¹⁹⁹ *Ibid.*, p. 17.

²⁰⁰ Department of Defence, 'The Strategic Basis of Australian Defence Planning,' in Desmond Ball and J.O. Langtry (eds.), *Civil Defence and Australia's Security in the Nuclear Age* (Sydney: Allen & Unwin, 1983), pp. 105-106.

²⁰¹ Department of Defence, *Key Elements in the Triennial Reviews of Strategic Guidance since 1945*, p. 16.

²⁰² *Ibid.*, p. 17.

In the late 1970s and into the 1980s, the most contentious issue within the Defence organisation was less strategic guidance itself than the way in which force structure priorities should be derived from the principles enunciated therein.²⁰³ Traditionally, Australian Army, Navy and Air Force contingents on operations had worked with much larger allied sister Services, rather than as part of a joint Australian force. Hence, there was little tradition to draw on 'to ensure that each of the Services prepares for the same kind of conflicts, in the same places, and in the same time scale', as Minister for Defence Fraser had reportedly put it in 1970.²⁰⁴ The 1986 *Review of Australia's Defence Capabilities* (or 'Dibb Review' after its author, Paul Dibb), found that

*Navy's Plan Green and Plan Blue ... The Army Development Guide ... [and] Air Force's RAAF Development Goals ... are not co-ordinated with one another, nor do they necessarily follow closely current strategic guidance.*²⁰⁵

The Air Force, for example, developed a concept of operations for the defence of Australia that focused on the need to prevent a lodgement of enemy forces by maritime strike against the adversary's bases, forces in transit towards the continent, and enemy lines of communication.²⁰⁶ However, 'Army was not at all impressed by the Air Force concept, taking the view that Army was being relegated to a secondary role and that this was not acceptable'.²⁰⁷ Instead, it trained and equipped to fight against a major conventional enemy, on the assumption that capabilities for low-level conflict could be derived and scaled down from an expansion base for large scale, higher intensity land combat.²⁰⁸ At the same time, the Navy continued to place significant emphasis on anti-submarine warfare over other capabilities with direct benefit for continental defence, such as mine countermeasures.

Different interpretations of policy and strategic guidance did not only create disagreements between the three Services, but also with civilian analysts who tended to highlight the role of lesser contingencies in strategic guidance. These disagreements escalated over the years to a point where the Assistant Chief of the Defence Force Staff, Rear-Admiral Hudson, deplored a 'growing obsession with low level contingencies as the sole feature of defence planning' in 1984.²⁰⁹ As it was with the military, opinion on the interpretation of strategic guidance was far from uniform amongst the civilian officials. However, two aspects of strategic guidance exacerbated the differences within the department.

²⁰³ Paul Dibb, *Review of Australia's Defence Capabilities* (Canberra: Commonwealth of Australia, 1986), pp. 27, 30.

²⁰⁴ Paraphrased in Tange, *Defence Policy-Making: A Close-Up View, 1950-1980*, pp. 21, 102.

²⁰⁵ Dibb, *Review of Australia's Defence Capabilities*, p. 27.

²⁰⁶ David Evans, *A Fatal Rivalry: Australia's Defence at Risk* (Melbourne: The MacMillan Company of Australia, 1990), pp. 21-24; Alan Stephens, *Power plus Attitude: Ideas, Strategy and Doctrine in the Royal Australian Air Force 1921-1991* (Canberra: Australian Government Publishing Service, 1992), pp. 164-168.

²⁰⁷ David Evans, *A Fatal Rivalry: Australia's Defence at Risk*, p. 24.

²⁰⁸ Albert Palazzo, *The Australian Army* (Melbourne: Oxford University Press, 2001), pp. 326, 332. Such an approach was also congruent with the strong continental traditions in the Australian Army. See Stewart Woodman and David Horner, 'Land Forces in the Defence of Australia,' in David Horner (ed.), *Reshaping the Australian Army: Challenges for the 1990s*, Canberra Paper no. 77 (Canberra: Strategic and Defence Studies Centre, 1991), pp. 13-27, 45-46.

²⁰⁹ Quoted in Andrews, *The Department of Defence*, p. 245.

First, the fact that defence planning was to be responsive not only to the emergence of a direct threat, but also to adverse developments that might increase the likelihood of a later threat, or make such a threat less remote in time, was a double-edged sword. On the one hand, it allowed argument for increased defence preparations against high-level threats following, for example, the Soviet invasion of Afghanistan. On the other hand, it added a second stage to warning and expansion times, which made it more difficult to argue for the retention or acquisition of items with long lead times, or even infrastructure projects such as the Darwin railway and base improvements in the North.

Second, there was a logical trap with regard to the definition of low-level contingencies that, for example, the Joint Committee on Foreign Affairs and Defence fell victim to in a report on *Threats to Australia's Security* in 1981. It defined such contingencies as 'those threats which can be dealt with within the peacetime organisation and structure of the Defence Force'.²¹⁰ But since the defence force was required by strategic guidance to be able to deal with peacetime tasks as well as low-level contingencies, such a definition was a tautology, which made it very difficult to arrive at a clearly defined and universally accepted minimum lower boundary for a 'low-level' contingency.

The End of the *Strategic Basis* Series of Documents

In the context of these disagreements, the main functions of the *Strategic Basis* series migrated to the Defence White Papers and various other one-off documents after 1983. Most of the later strategic guidance documents, and the two White Papers of 1987 and 2000 in particular, included not only the wide-ranging observations on possible threats and Australian defence strategy that had characterised the *Strategic Basis* papers since 1968, but also explicit force structure decisions for all three Services.²¹¹ The 1987 and 2000 White Papers also included explicit funding commitments for future years. Hence, input into the process by which these documents were drafted was often of a much greater and more immediate importance for the wider Defence organisation than was the case with the *Strategic Basis* documents of old.

Overall, there are four partly related reasons why the *Strategic Basis* format was abandoned in the mid-1980s. First, the Defence Committee had by 1983 already long lost the central place in the Defence organisation that it had occupied in the late 1950s, 1960s and early 1970s. During the early 1970s, the amalgamation of the Defence group of departments into the Department of Defence had lessened the rationale for the existence of the Committee, and budget issues were dropped from its charter. The frequency of its meetings decreased and the Defence Committee was effectively moribund by the time it was formally abolished in 1985.²¹² In the development of strategic guidance, no comparable committee replaced it—the body that now carries its name, formerly the Defence Force Development Committee, does not include the representatives of other agencies and departments, such as Foreign Affairs, Treasury and PM&C, that had often been so influential earlier years.

²¹⁰ Joint Committee on Foreign Affairs and Defence, *Threats to Australia's Security: Their Nature and Probability*, (Canberra: The Parliament of the Commonwealth of Australia, 1981), p. 48.

²¹¹ In this context, the 1991 *Force Structure Review* is also important, although it did not provide strategic guidance as such.

²¹² David Connery, 'The Characteristics of Australian Policymaking in National Security Crises', PhD Thesis (Canberra: Australian National University, 2008), pp. 118-120.

Henceforth, the drafting of strategic guidance documents became the sole responsibility of a more powerful and confident Department of Defence, although there were still consultations with other departments and agencies.

Second, the Department at the time was riven by the deep divisions between civilian and uniformed communities, whose causes—as far as they lay in strategic guidance—have already been sketched above. One of their main effects was a paralysis of decision making within the Department. By the mid-1980s, these conflicts even surpassed in intensity the disagreements that had surrounded the amalgamation of the Defence group of departments in the early and mid-1970s. In the words of the *Centenary History* of the Department of Defence, '[f]rom all accounts almost a civil war then raged in the organization',²¹³ which would have made it very difficult to produce agreement on any new document from within the Department.

Third, a new *Strategic Basis* paper would have been quite unsuited to resolve the disputes that plagued the Defence organisation, exactly because these documents were designed only to provide strategic guidance about threats, and broad strategy, while proposals about force structure, training and basing priorities that flowed from them were deliberately left to the Services.²¹⁴ Hence, at a time in which the Committee that had reviewed the *Strategic Basis* papers had ceased to exist, and agreement on anything was hard to come by within the Department, there was little incentive to attempt the production of another guidance document that did not focus on the crucial and contentious force structure development questions. Instead, the Minister for Defence, Kim Beazley, in 1985 directly engaged Paul Dibb as an external consultant,²¹⁵ 'to undertake a review of the content, priorities and rationale of defence forward planning *in the light of the strategic and financial planning guidance endorsed by the Government*'.²¹⁶

The fourth, and perhaps most important reason why the *Strategic Basis* series was abandoned, lies in the fact that these were always meant to be secret documents, never to be shared with the public. The new Labor government consciously broke with this tradition, which was admittedly made easier by the fact that strategic guidance had become much less entwined with sensitive operational aspects than it had been in previous decades. The aforementioned 1986 *Review of Australia's Defence Capabilities*, although classified in its complete version, was thus written with an eye to allowing the publication of an unclassified document,²¹⁷ and the last *Strategic Basis* paper of 1983 was replaced by the unclassified 1987 *Defence of Australia* White Paper. Unlike its predecessor of 1976, the 1987 White Paper was produced for the provision of formal strategic guidance for the Defence organisation itself, as well as for the information of the public. *Defence of Australia* was followed in 1989 by the classified *Australia's Strategic Planning in the 1990s* document, which was also published in an unclassified version in 1992 as 'an example of the Labor Party's commitment to more openness in Government'.²¹⁸ All subsequent strategic

²¹³ Andrews, *The Department of Defence*, p. 245.

²¹⁴ See also Tange, *Defence Policy-Making: A Close-Up View, 1950-1980*, p. 124-125; and Dibb, *Review of Australia's Defence Capabilities*, p. 30.

²¹⁵ The Department however allocated staff to the Review.

²¹⁶ Dibb, *Review of Australia's Defence Capabilities*, p. xv (terms of reference). Emphasis added.

²¹⁷ A classified annex dealt with the details of more sensitive analysis of contingencies related to Papua New Guinea (PNG) and the Cocos and Christmas Islands. See Paul Dibb and Richard Brabin-Smith, 'Indonesia in Australian Defence Planning', *Security Challenges*, vol. 3, no. 4 (November 2007), pp. 82-83.

²¹⁸ Robert Ray, 'Preface', in Department of Defence, *Australian Strategic Planning in the 1990s* (Canberra:

guidance documents have been published in an unclassified version, once they had gained Cabinet approval.

Although the *Strategic Basis* format had thus been superseded, the government continued to adopt a new strategic guidance paper of some kind about every three years. However, these did not necessarily replace earlier documents, and were less standardised in form, drafting process and scope than the old *Strategic Basis* series. The policy content of the 1987 *Defence of Australia* White Paper, for example, was to a significant extent based on the externally written 1986 *Review of Australia's Defence Capabilities*. It was complemented, rather than superseded, by *Australia's Strategic Planning in the 1990s*.²¹⁹ In general, the status of strategic guidance documents in relation to each other was not always made clear and explicit, and certainly the clarity of the *Strategic Basis* series in this regard was lost. But while the *Strategic Basis* papers, despite their consideration by Cabinet, had ultimately remained Defence Committee documents, the formal authorship of the guidance statements that succeeded them lies with Cabinet itself, which gives the documents an additional element of authenticity as the authoritative political guidance for the Department of Defence.²²⁰ With this background in mind, the remainder of the essay will now trace the development of concepts in strategic guidance since 1987.

The 1987 *Defence of Australia* White Paper Framework

The description of Australia's strategic situation in the 1987 White Paper differed only in degrees from that of earlier strategic guidance documents. It remarked, on the one hand, that

*No neighbouring country harbours aggressive designs on Australia, and no country has embarked on the development of the extensive capabilities to project maritime power which would be necessary to sustain intensive military operations against us.*²²¹

On the other hand, it notes uncertainties in the regional situation,²²² and that 'defence policy must insure against uncertainties and the risk that they might resolve unfavourably to our interests'.²²³ While 'Australian defence policy and force structure planning cannot ignore' major threats, should they emerge over long time scales, the White Paper makes explicit, in a way that a Defence Committee document could not have done, that 'the Government has directed that priority be given in defence planning to ensuring adequate and appropriate capabilities exist within the Defence Force to deal with [low-level] pressures'.²²⁴ The only task used for force structure determinations proper was the defence of Australia, since

Commonwealth of Australia, 1992), p. iii. Interestingly, the document is identified as a 'strategic basis' in the preface, although it was different from that type of document in the way it was produced, as well as in its inclusion of detailed force structure considerations.

²¹⁹ Ibid.

²²⁰ See also Tange, *Defence Policy-Making: A Close-Up View, 1950-1980*, p. 125.

²²¹ Department of Defence, *The Defence of Australia* (Canberra: Commonwealth of Australia, 1987), pp. 19-20.

²²² Ibid., pp. 13-14.

²²³ Ibid., p. 20.

²²⁴ Department of Defence, *The Defence of Australia*, pp. 26, 30.

*Meeting our requirements for the defence of Australia will provide the Government with practical options for use of elements of the Defence Force in tasks beyond our area of direct military interest in support of regional friends and allies. It is therefore not necessary that such contingencies should themselves constitute force structure determinants.*²²⁵

The main innovation of the 1987 White Paper, drawn from the 1986 *Review of Australian Defence Capabilities*, was to provide a new framework on which planning for the defence of Australia should be based. It noted that '[t]he limits of escalated low-level conflict would be set at any one time by the military capabilities that could practically be brought to bear against Australia's interests'²²⁶ by states within the 'area of direct military interest'. On the one hand, this provided an upper bound for 'credible contingencies', and capabilities that were justified solely as part of the expansion base for conflict of even higher intensity and scale were from now on to be held at the minimum level necessary to maintain essential skills. On the other hand, planning against the full panoply of regional capabilities—regardless of the countries' observed intentions—also provided a lower bound, minimum capability, required to deal with 'low-level' contingencies, that was more demanding than had been assumed in earlier years.

A second new contribution of the White Paper to strategic guidance related to the approach just described, was that it then defined the outlines of an operational strategy of 'defence in depth', centred around surveillance, maritime interdiction, the defence of focal areas, and the defeat of any incursions that might occur. In addition, strike operations 'would allow an important option'.²²⁷ Applying this strategy against regional military capabilities allowed the document to make detailed force structure decisions which were largely based on considerations in the 1986 *Review of Australia's Defence Capabilities*. An important outcome of this net-assessment based analysis was to give further impetus to the shift of ADF capabilities from the south-east of the country into the north, particularly the Darwin-Tindal area.

By 1989, however, the *Australia's Strategic Planning in the 1990s* paper began the shift of strategic guidance away from such a clear focus on the defence of Australia. It highlighted increased uncertainty due to recent change at the global level, and regionally in South-East Asia and the South-West Pacific. Therefore, '[t]he planning challenge for Australia in the next decade is to influence regional strategic trends while ensuring that we are able to deal with such defence situations as might arise'.²²⁸ There was a potential for 'ADF involvement in national defence tasks other than the direct defence of Australian territory', in particular 'alliance obligations', peacekeeping, disaster relief, and evacuation operations, which called for a 'margin of flexibility' in ADF equipment.²²⁹ Australia should be 'ready to respond appropriately to crises within the South Pacific', increase defence cooperation and consultation with regional countries, and 'seek to keep the US strategically involved' in the region.²³⁰ Hence, proposals in the 1990 review on *The Defence Force and the Community*—also known as the 'Wrigley Review'—for an Australian 'militia'

²²⁵ Ibid., p. 6. See also p. 8.

²²⁶ Ibid., p. 25. See also Dibb, *Review of Australia's Defence Capabilities*, p. 38.

²²⁷ Department of Defence, *The Defence of Australia*, p. 25.

²²⁸ Department of Defence, *Australian Strategic Planning in the 1990s*, p. 26.

²²⁹ Ibid., pp. 21-22.

²³⁰ Ibid., pp. 41-45.

organisation and cuts to the ADF's ability to conduct overseas operations did not find government support.²³¹ Instead, the 1991 *Force Structure Review* complemented the 1987 White Paper's force structure with a modest increase in amphibious capability.²³²

The 1993 *Strategic Review*, looking only '3-5 years' ahead,²³³ noted increased uncertainty about the future US security role in Asia following the Cold War, and mentioned that 'China has the potential to emerge in the long term as a regional strategic rival' to the United States in Asia.²³⁴ It remarked that the renewal of United Nations activism had led to an increasing contribution by Australia to global security operations, and confirmed the need to be able to respond to crises in the South Pacific, and for increased defence cooperation within the region. But while roles other than the defence of Australia 'can influence training and the acquisition of materiel for specific missions', the paper confirmed that 'they do not determine the ADF's overall force structure'.²³⁵

The 1994 *Defending Australia* White Paper remarked that 'Australia's future security ... is linked inextricably to the security and prosperity of Asia and the Pacific', and noted that with economic growth and political change in Asia, 'our security situation could deteriorate, perhaps quite seriously in the future'.²³⁶ Australia's margin of technological superiority was eroding, and Australia would increasingly 'value our alliance with the United States not just for the contribution it makes to Australia's own defence, but also for its broader contribution to regional security'.²³⁷ But while the White Paper stated that the government's policy consisted of 'ensuring that we are able to defend Australia from armed attack', and 'sustaining our alliances and contributing to a global and regional environment in which attack on Australia is less likely', it continued to argue that the latter task was not 'a primary basis for our defence capability planning, because forces developed for the defence of Australia give us a sufficient range of options to meet them'.²³⁸ Unlike other strategic guidance documents, the White Paper discussed Australia's military capabilities in a similar manner to the 1987 White Paper framework, *before* turning to the discussion of Australia's region, alliances and global security.

Beyond the Defence of Australia: 1997-2007

While defence policy and strategic guidance had thus given increased attention to developments beyond Australia's immediate neighbourhood throughout the 1990s, it was left to the new Coalition Government to end the status of the defence of Australia as the primary force structure determinant for the ADF. Its 1997 *Australian Strategic Policy* paper noted that during the 1970s and 1980s developments in the wider Asia-Pacific had influenced Australia's security only indirectly through the global balance, but that they now had a direct impact on Australia's

²³¹ Alan K. Wrigley, *The Defence Force and the Community* (Canberra: Commonwealth of Australia, 1990).

²³² Department of Defence, *Force Structure Review 1991* (Canberra: Commonwealth of Defence, 1991), p. 28.

²³³ Robert Ray, 'Preface', in Department of Defence, *Strategic Review 1993* (Canberra: Commonwealth of Australia, 1993), p. iii.

²³⁴ Department of Defence, *Strategic Review 1993*, p. 8.

²³⁵ *Ibid.*, p. 46.

²³⁶ Department of Defence, *Defending Australia* (Canberra: Commonwealth of Australia, 1994), pp. 3-4.

²³⁷ *Ibid.*, pp. 27, 95.

²³⁸ *Ibid.*, pp. 13, 15.

neighbourhood.²³⁹ It would be ‘a significant failure of Australian strategic policy to allow a direct threat to Australia to develop if there had been opportunities to forestall it’, and ‘Australia’s defence posture therefore must include the means to influence strategic affairs in our region’.²⁴⁰ The paper was the only strategic guidance document not to include its own discussion of the international environment, instead referring to the *In the National Interest* White Paper of the Department of Foreign Affairs and Trade of the same year.²⁴¹

The key contribution of *Australia’s Strategic Policy* to strategic guidance was to discuss in more detail how defence priorities for the new focus on the Asia-Pacific may be defined, remarking that Australia’s

*core strategic interests relate to those factors in our strategic environment which would increase the likelihood that Australia might come under direct attack, or erode our capability to resist such an attack.*²⁴²

These interests included the avoidance of an Asia dominated by a power with inimical interests, or the positioning of such a power in the area from where it could attack Australia. In addition, Australia might be required ‘to provide substantial support to South Pacific countries’ should a law-and-order breakdown occur.²⁴³ The defence of Australia would remain the core of Australian force planning, but it would now have to be ensured that resultant capabilities could provide options to make a ‘substantial’ contribution to the defence of regional interests.²⁴⁴

The development of a framework to reconcile tasks for the defence of Australia with the new regional roles would be left to the *Defence 2000* White Paper, whose policy content reflected, *inter alia*, several long discussions by the National Security Committee of Cabinet.²⁴⁵ It defined five strategic objectives: first, the defence of Australia, where *Defence 2000* followed its predecessors in demanding Australian self-reliance in combat forces;²⁴⁶ second, ‘the stability, integrity and cohesion of our immediate neighbourhood’, where Australia would be concerned about internal unrest, outside attack, and the basing of forces by hostile powers²⁴⁷—Australia ‘should be prepared to be the largest force contributor’ to operations in this region;²⁴⁸ third, in South-East Asia,

*to maintain a resilient regional community that can cooperate to prevent the intrusion of potentially hostile external powers and resolve peacefully any problems that may arise between countries in the region.*²⁴⁹

²³⁹ Department of Defence, *Australia’s Strategic Policy* (Canberra: Commonwealth of Australia, 1997), pp. 9-10.

²⁴⁰ *Ibid.*, pp. 31-32.

²⁴¹ *Ibid.*, p. 3.

²⁴² *Ibid.*, p. 8.

²⁴³ *Ibid.*, p. 21.

²⁴⁴ *Ibid.*, pp. 35-36. However, the document only defined these interests in rather general terms (see p. 8).

²⁴⁵ Hugh White, ‘The New Defence White Paper: Why we need it and what it needs to do’, *Perspectives* (Sydney: Lowy Institute, 2008), p. 12.

²⁴⁶ Department of Defence, *Defence 2000: Our Future Defence Force* (Canberra: Commonwealth of Australia, 2000), pp. 46-47.

²⁴⁷ *Ibid.*, pp. 30-31.

²⁴⁸ *Ibid.*, p. 48.

²⁴⁹ *Ibid.*, p. 31.

Here, 'Australia would want to be in a position ... to help our neighbours defend themselves' and 'to be able to make a substantial contribution',²⁵⁰ fourth, the avoidance of major conflict and instability in the Asia-Pacific as a whole, notably in north-east Asia, where Australia would want 'the capacity to make a significant contribution',²⁵¹ and, finally, the fifth objective related to 'the efforts of the international community, especially the United Nations, to uphold global security', where Australia could make 'a relatively modest contribution'.²⁵²

While all three Services would be sized for the defence of Australia, Army would in addition be equipped to take the lead in stabilisation operations, particularly in the South-West Pacific. With regard to the other objectives, the White Paper looked primarily to Navy and Air Force, since '[f]ortunately the strategic geography of our neighbourhood makes this feasible'.²⁵³ But while it explicitly linked the size of the Army to its new role, the absence of a more direct rationale for platform numbers in Navy and Air Force was one of the main weaknesses of the White Paper.²⁵⁴

Defence 2000 was followed by three so-called *Defence Updates*, which seemed by their nature primarily designed for public communication, and hence highlighted a potential disadvantage of using unclassified documents for strategic guidance. While the 2007 *Update* was by far the longest of the three, all were considerably shorter than previous papers, and devoted significant attention to recently undertaken operations or already initiated equipment purchases, rather than strategic guidance for the future.²⁵⁵ The 2003 *Update* concentrated on the discussion of terrorism, 'weapons of mass destruction'—aggregating superpower stockpiles, rogue state proliferation and non-state actor interest—and instability in the region. It concluded that the need for a direct defence of Australia was 'less likely', that there 'may be increased calls on the ADF for operations in Australia's immediate neighbourhood', and that 'ADF involvement in coalition operations further afield is somewhat more likely than in the recent past'.²⁵⁶ However, since the likelihood of specific operations had not been the basis for the setting of priorities in Australian strategic guidance since the early 1950s, the implication of this statement remained unclear.

²⁵⁰ Ibid., pp. 44, 48, 51.

²⁵¹ Ibid., p. 31, 44, 51.

²⁵² Ibid., p. 31, 52.

²⁵³ Ibid., p. 48. This policy idea was not new to post-war strategic guidance. With regards to South-East Asia, the 1971 *Strategic Basis* had already emphasised Australia's comparative advantage in naval and air forces in the region. Defence Committee, *Strategic Basis of Australian Defence Policy*, 5 March 1971, paras 16, 163. Nineteen years earlier, in a dissenting note to the 1953 *Strategic Basis* paper, the Navy representative on the Joint Planning Committee stated that he 'cannot subscribe to the view ... that Australia, with its limited population, should be further embroiled on the mainland of Asia against the multitudes of China.' Instead, he argued that 'any forces provided to resist further Chinese aggression should be confined to highly technical and trained Naval and Air Forces.' Joint Planning Committee, Report No. 56/1952, 1-14 December 1952, para 5, NAA: A816, 14/301/576.

²⁵⁴ Ibid., pp. 78-84. Hugh White, Deputy Secretary for Strategy at the time, later stated that the document was drafted under instructions from the Cabinet that no capability was to be cut, and obsolete equipment was to be replaced. Hugh White, 'Buying Air Warfare Destroyers: A Strategic Decision,' *Issues Brief* (Sydney: Lowy Institute, 2005), p. 3.

²⁵⁵ Department of Defence, *Australia's National Security: A Defence Update 2003* (Canberra: Commonwealth of Australia, 2003), pp. 13-14, 23-27; Department of Defence, *Australia's National Security: A Defence Update 2005* (Canberra: Commonwealth of Australia, 2005), pp. 10-11, 21-25; Department of Defence, *Australia's National Security: A Defence Update 2007* (Canberra: Commonwealth of Australia, 2007), pp. 41-63.

²⁵⁶ Department of Defence, *Australia's National Security: A Defence Update 2003*, p. 23.

Although it was meant to 'update' the *Defence 2000* White Paper, the link of arguments made in the 2005 *Defence Update* to existing strategic guidance was tenuous at best, and it was much closer in its overall framework to the 1946 *Appreciation* than any other guidance document since that time. It found that '[t]he world in the years ahead may well face strategic shocks that cannot be anticipated today. The timing of such events is unpredictable and their cumulative effects hard to gauge'.²⁵⁷ Global coalition operations were given significantly more emphasis as, despite Australia's limited resources, 'Government recognises the need to make a meaningful contribution'.²⁵⁸ Noting the fact that 'Australian forces have deployed to the Middle East to support our interests in peace and stability many times since 1915', the *Update* identified that part of the world as a 'critically important region'.²⁵⁹ Unlike the strategic guidance documents from 1971 to 2000, the 2005 *Update* did not discuss ADF capabilities in the context of Australia's geographic environment. As in the 1946 *Appreciation*, it saw a need for versatile land forces capable of operating across a spectrum of combat intensity and for generic naval amphibious task forces with associated air, surface and sub-surface vessels for protection.²⁶⁰ As an aside, the document also introduced a completely new thought to Australian strategic guidance when it remarked, echoing similar passages in the 2001 and 2006 *Quadrennial Defense Reviews* in the United States, that

*Decisions about the use and development of defence capability are concerned as much with forestalling future threats and shaping the strategic choices of potential adversaries, as they are with responding to specific contingencies.*²⁶¹

Lastly, the main contribution to strategic guidance of the 2007 *Update* was the attempt to integrate the issues highlighted by its two predecessors into a framework of strategic priorities similar to that of the *Defence 2000* White Paper. It confirmed the principle of self-reliance in combat forces in the defence of Australia, and remarked that Australia should lead coalitions in its archipelagic neighbourhood, and only contribute elsewhere.²⁶² While it focused heavily on Australia's neighbourhood as the 'area of paramount defence interest', it also discussed the importance of the Middle East. But unlike the 2005 *Update*, which had based that region's importance on Australian military history, the 2007 *Update* noted the heavy engagement of Australia's main ally, the intersection of interests of a number of important powers, and the prevalence of terrorism.²⁶³ Current strategic guidance has hence moved

²⁵⁷ Department of Defence, *Australia's National Security: A Defence Update 2005*, p. 4.

²⁵⁸ *Ibid.*, p. 21.

²⁵⁹ *Ibid.*, pp. 16-17.

²⁶⁰ *Ibid.*, pp. 22-23.

²⁶¹ *Ibid.*, p. 12. The 2001 QDR had remarked that: 'Through its strategy and actions, the United States influences the nature of future military competitions, channels threats in certain directions, and complicates military planning for potential adversaries in the future. Well targeted strategy and policy can therefore dissuade other countries from initiating future military competitions.' Office of the Secretary of Defense, *Quadrennial Defense Review* (Washington D.C.: Department of Defense, 2001), p. 12. The 2006 QDR made 'shaping the choices of countries at strategic crossroads' one of its four priorities. Office of the Secretary of Defense, *Quadrennial Defense Review* (Washington D.C.: Department of Defense, 2006), p. 19. In the Australian context, this idea had been canvassed in publications by the Strategic and Defence Studies Centre at the Australian National University in the late 1970s. See, for example, J.O. Langtry and Desmond Ball, *Controlling Australia's Threat Environment* (Canberra: Strategic and Defence Studies Centre, Australian National University, 1979); and Robert O'Neill, *The Structure of Australia's Defence Force*, Working Paper, no. 10 (Canberra: Strategic and Defence Studies Centre, Australian National University, 1979), p. 8.

²⁶² Department of Defence, *Australia's National Security: A Defence Update 2005*, pp. 25-29.

²⁶³ *Ibid.*, pp. 22-23.

back closer to the framework of *Defence 2000*, although the announced Defence White Paper of the new Labor Government will soon provide a new chapter to the story outlined in this essay.

CHANGE AND CONTINUITY IN STRATEGIC GUIDANCE: 1946-2007

Strategic guidance for the Australian Defence organisation since the Second World War has shown elements of significant change and of significant continuity. As strategic guidance includes government's directives to the Defence organisation, it would be intuitive to look to domestic politics as a driver of change. However, as this last section of the essay will argue, the main influences on changes to strategic guidance were major developments in the international order, and beyond Australia's control. Elements of continuity were largely due to the enduring features of geography and the limits to Australia's defence influence. The transition from 'forward defence' to the 'defence of Australia' that is documented in this edition must be seen in the context of all three of these cardinal forces—international order, geography, and limits to Australian influence—with which strategic guidance always has to contend.

Australian Governments and Strategic Guidance

The documents included in this edition were all submitted to the government of the day for consideration. Strategic guidance itself also included the political judgements expressed in, for example, the relevant Cabinet Decisions. Hence, it is not surprising that changes in government often coincided with changes in Australia's strategic posture. The strategic guidance of Coalition Governments that assumed power in late 1949, late 1975, and in 1996 discussed Australian support for allied endeavours at a distance from Australia to a greater extent than that drafted under their respective Labor predecessors. The physical return of the last Australian forces from South-East Asia under the Whitlam Labor Government was paralleled in the much greater emphasis on the direct defence of Australia as the main focus of its strategic guidance.

However, while the influence of governments is real and apparent from the Cabinet Minutes discussed in this essay, the influence of party politics on the development of strategic guidance must also not be over-stated. The nature of the *Strategic Basis* papers—endorsed by the Defence Committee, and submitted to Cabinet as a whole—provided an important element of underlying continuity, which served to moderate the direct impact of changes in government. Most of the shifts mentioned in the previous paragraph had been foreshadowed in the strategic guidance documents submitted to the respective preceding governments. During the decades covered by this edition, radical change in strategic guidance did occur in countries like France, and arguably New Zealand. In contrast, all Australian Cabinets, including the Whitlam Government, rather accentuated existing trends, or followed the argument of the Defence Committee to a greater extent, than their predecessors had done.

The Chifley Cabinet had thus already begun to integrate Australia into the wider Western global defence effort when it left office, and the 1968 *Strategic Basis* had found support in the Gorton Cabinet for its proposal of a greater independent defence role. Although the Whitlam Government's existence was too brief to allow a significant evolution in its endorsed strategic guidance, the 1975 *Strategic Basis* prepared during its term in office emphasised greater concern about global uncertainties than its predecessors—a trend that would become more prominent

under the Fraser Cabinet. The main tenets of the Coalition Government's 1996 *Australian Strategic Policy* document were a continuation of an existing trend away from some of the 1987 White Paper judgements, which had begun with earlier strategic guidance documents of 1990s endorsed by the Hawke and Keating Governments. Finally, the absence from the discussion above of the Labor Government that assumed office in 1983 is no coincidence. While the 1987 White Paper broke new ground in terms of force structure planning, the underlying strategic guidance was similar to that of the previous government, which had been faced with essentially the same international situation.

In general, new Cabinets were less committed and attached to established policy tenets than their predecessors—as was the case, for example, of the Gorton Coalition Cabinet, which largely endorsed the 1968 *Strategic Basis*.²⁶⁴ Changes in government between Labor and the Coalition in particular are often part of broader political shifts, and that *Zeitgeist* is partly reflected in strategic guidance as well. But Australia's broadly bi-partisan agreement about the fundamentals of strategic guidance, professional advice provided to government that was both consistent over time and innovative when faced with changing circumstances, and governments' willingness to engage with and accept that advice, meant that the international situation, rather than party politics, was the over-riding force for change in Australia's strategic guidance since the Second World War. This applies in particular to the fundamental shift that occurred in the late 1960s and early 1970s.

From 'Forward Defence' to the 'Defence of Australia'

The 1946 *Appreciation of the Strategical Position of Australia* was written in the brief interlude between the end of the Second World War and the Cold War, and only foreshadowed the possibility of a breakdown of the alliance between the wartime allies, and of the end of European colonial empires in Asia. By the time of the 1947 *Appreciation*, however, both of these developments had begun—although neither had yet assumed the force of later years, and the former would, for about a decade, still overshadow the latter. Conflict with global communism heated up significantly around 1950, leading to the prospect over several years of a near-imminent outbreak of global war. In that context, Australia decided to be prepared to participate in a global war against the USSR by defending air bases in the Middle Eastern theatre—a judgement that, as discussed above, would be quickly reversed with the end of the global war scare.

From 1953 until 1968, recommendations regarding force employment in Australian strategic guidance remained firmly focused on a policy of 'forward defence' in South-East Asia. In many respects, this was a continuation of the pre-war tradition of assisting great and powerful friends, albeit now more focused on supporting the allies' military commitments in the defence of their own interests in South-East Asia, which would then at the same time reduce the risk of adverse developments affecting Australia itself. In this way, Australia sought to leverage its small commitments to much greater strategic effect overall—although the 1968 *Strategic Basis* paper noted that

²⁶⁴ At the same time, however, its successor did not endorse the further marginalisation of the 'forward defence' policy proposed in the 1971 *Strategic Basis* paper.

*we could hardly assert that this forward defence concept represents an independent strategy of our own. Rather has it been a case that we have deliberately, doubtless in our own interests and perhaps inescapably, tied Australia to the strategy of others.*²⁶⁵

However, 'forward defence' in its pure form was reflected in strategic guidance only in the *Strategic Basis* papers of 1953 and 1956. By the time of the 1959 *Strategic Basis*, a nationalist Indonesia had begun to become a major concern to Australian decision makers, related to but separate from the fear of communist expansion. That document thus marked the beginning of a trend that would first recognise de-colonisation and the establishment of new, independent countries in Asia as a separate strategic concern from the Cold War and its focus on the geographic containment of global communism, and then replace the latter as the main focus of Australia's defence policy. While Cabinet was not yet willing in 1959 to shoulder the cost of a capability for independent action as a force development objective, this would change as concerns about Indonesia escalated in the first half of the 1960s, and as it became apparent that the interests of Australia and its allies in that respect would not always coincide.

Under the impression of developments in Indonesia, *Australia's Strategic Position* of 1963 firmly established the need for a capability for independent action against threats to Australia itself as a main element of Australia's strategic guidance. At the same time, however, the war in Indochina also led to a parallel increase of the Australian commitment to the allied effort in South-East Asia. Australia's defence policy continued to be dominated by the 'forward defence' framework—as the 1964 *Strategic Basis* pointed out, even at the cost of further alienating Indonesia. The need for a capability for the independent defence of Australian territory had become a driver of force development. But in terms of force employment, which in the mid-1960s included operational deployments to Thailand, Malaya, Borneo and South Vietnam, operations independent from allies were only a credible contingency, and not a deliberate policy.

By 1968 and the early 1970s, however, a number of related international developments coincided and fundamentally changed the country's strategic situation. Australia's major allies—first the United Kingdom, then the United States—signalled a reduction in their military commitment to the region. In addition, regional host countries like Singapore and Malaysia emerged from their first years of independence determined to assert their own national and foreign policy identities. At the same time, the prospect of South-East Asian countries falling like dominos to communism became much less credible, as the resilience of local governments increased and local communist insurgencies were defeated, at least for the time being. Nationalist and ethnic conflicts between Vietnam and its neighbours, or between ethnic Chinese and non-Chinese in South-East Asia, provided additional obstacles to further communist expansion. Moreover, while the Sino-Soviet split had initially led to an element of competition between the two powers in supporting communist causes abroad, the nascent Sino-US alliance against the USSR significantly moderated Great Power relationships as a source of instability.

Hence, powerful forces in the international arena made the policy of 'forward defence'—at least in its established form—unviable, and less necessary at the same time. As 'forward defence' dropped in relevance to the new circumstances, the concern of maintaining a capability of independent action to meet direct threats to

²⁶⁵ Defence Committee, *Strategic Basis of Australian Defence Policy*, 19 August 1968, para 173.

Australia, which had been over-shadowed by the engagement in South-East Asia during the 1960s, now moved to the centre stage of Australia's strategic policy. At the same time, it became more conceivable that threats to Australia from within the much more benign Asian order would be within its own ability to handle, unlike the threats from the unstable region, or even an unrelentingly hostile and communist-dominated one, that earlier decision makers had to contend with.

As its own neighbourhood became more benign, Australia did not make the central Cold War balance in Europe the focus of its defence effort—in a way that it had done, for example, in both world wars. Instead, it limited its direct Cold War contribution to the Joint Facilities²⁶⁶ and surveillance operations in the Indian Ocean and South-East Asia. Despite the fact that Australia's military focus of the previous two decades had been on fighting communism, Australia's partial disengagement from the Cold War was consistent with the country's policy since the 1953 *Strategic Basis*, which had given precedence to the South-East Asian theatre over others where Australian forces might have been of greater use against global communism as a whole. On a global scale, Europe and the North Atlantic, where all Western Allies other than Australia and New Zealand concentrated their efforts, had been the Cold War centre of gravity even at the height of the Vietnam War.

However, the 1960s contingency of independent action only became the 1970s policy of 'defence of Australia' once the principle of self-reliance was introduced to Australian strategic guidance and defence policy. On the one hand, this was a necessity due to the limits of US assistance that could be reliably expected in any conflict with Indonesia—an issue that was openly addressed in strategic guidance after the 1959 *Strategic Basis*, in a way that successive Australian governments never did in public. On the other hand, the 1971 *Strategic Basis* also noted that US expectations had changed, and that it now primarily looked for its allies' capability and willingness to help themselves as a contribution to the common defence.²⁶⁷

Finally, the transition from 'forward defence' to the 'defence of Australia' also fundamentally changed the nature of defence policy and its relationship with wider foreign policy in Australia. Under the policy of 'forward defence', the Australian defence effort had sought to effect—through forward deployment of military forces to the region, and operations in Malaysia, Thailand or Vietnam—current and very real political developments. But Australia's effort was always indirect, in the sense that it was primarily aimed at influencing the policy of its allies. The *Strategic Basis* papers of 1968 and 1971 both highlighted the rising importance of economic, diplomatic, trade and other types of Australian influence, signalling that defence commitments were rapidly losing their status as the tool of choice of Australian foreign policy. In a situation in which strategic guidance documents did not see any significant likelihood of a threat to Australia itself developing, the defence effort became an insurance against 'circumstances which we cannot now predict'.²⁶⁸ However, Australia's military operations would now need to achieve direct military objectives, which in many ways placed much greater potential demands on the country's armed forces, and made the development of coherent force structuring concepts of greatest importance.

²⁶⁶ The joint facilities hardly featured in any of the documents discussed in this essay—partly because they were not part of Australia's defence force itself, and partly because the desirability of maintaining the US alliance was never placed in any serious doubt.

²⁶⁷ Defence Committee, *Strategic Basis of Australian Defence Policy*, 5 March 1971, paras 19, 29.

²⁶⁸ *Ibid.*, paras VII-1, 16.

The regional circumstances that had led to the end of ‘forward defence’ would prevail for about twenty years, and provided Australia with a remarkable period of low volatility in its strategic situation. During this time, its defence policy would undergo a significant development with regard to the way in which capabilities were defined and prioritised—in particular, the replacement of the ‘core force’ construct by the 1987 White Paper. However, the main drivers of strategic guidance remained contingencies that were ‘credible’ but nonetheless highly unlikely in the benign regional order within which Australian foreign policy operated. This was only to change again once the slow but steady deterioration of the country’s strategic position since the early 1990s led to the end of the era of the ‘defence of Australia’. Around the turn of the millennium, the operational commitments of the ADF increased significantly again, signalling a reconvergence of foreign and defence policy within a whole-of-government framework as, for example, discussed in the three *Defence Updates* of the 2000s.

The Enduring Importance of Geography for Strategic Guidance

The time covered by the documents discussed in this essay is framed by three short episodes during which global concerns superseded Australia’s regional focus—the 1946 *Appreciation*, and the Middle East commitment during the early 1950s, on the one hand, and the 2005 *Defence Update* on the other. But none of these three episodes lasted more than a matter of months—the 2007 *Defence Update* has already given more prominence, again, to Australia’s regional neighbourhood, and there are no indications that the new Rudd Government will fundamentally change the main tenets of Australia’s strategic guidance. This raises the question of the sources of continuity in Australian strategic guidance over such a long time. In the ‘discourse of states’ that strategic guidance is concerned about, these ultimately lie in geography, and relative strategic influence—which, in the case of a country with a population as small as Australia’s, is inevitably always limited, even when supported by relatively high per-capita income and a strong technological base.

Over the last six decades, geography has been central to Australian strategic guidance and defence planning in three main ways—one enduring since the Second World War, the others being particular to the eras of ‘forward defence’, and the ‘defence of Australia’ respectively. The 1947 *Appreciation* remarked that

*Australia is situated at the end of a series of Islands extending from South-East Asia. Except for these Islands to the North and North West, she is surrounded by vast oceans. Her geographical position, therefore, is such that no hostile Power, without possessing command of the sea and local air superiority, could successfully invade Australia, nor could she launch an effective major air attack on the vital areas of Australia, without possessing suitable bases for launching long-range weapons.*²⁶⁹

²⁶⁹ Chiefs of Staff Committee, *Appreciation of the Strategical Position of Australia*, 28 October 1947, para 68.

This enduring feature of Australia's strategic situation provided an important element of continuity and has been, in one form or another, central to all strategic guidance documents since the Second World War—with the notable but short-lived exceptions of the 1946 *Appreciation* and the 2005 *Defence Update*. The inner island chain of Indonesia, Papua New Guinea, the states of the South-West Pacific and New Zealand, 'from or through which' a direct attack on Australia could be launched, was variously referred to as 'the neighbourhood' in the *Strategic Basis* papers of 1973 and subsequent years, the 'areas of Australian primary concern' in the 1976 *ASADPO* paper, the 'area of direct military interest' in the 1986 *Review of Australia's Defence Capabilities*, or the 'area of paramount defence interest' in the 2007 *Update*.

Among these countries, Indonesia stands out because of its demographic size, economic potential and close proximity to mainland South-East Asia.²⁷⁰ The 1947 *Appreciation* remarked that

*Having established herself in Indonesia, Russia could attack the mainland of Australia under cover of land based aircraft. Hence, it follows that Australia is vitally interested in this line of approach.*²⁷¹

Since the 1959 *Strategic Basis*, Australian strategic guidance has also recognised the potential of Indonesia to pose a future threat to Australia in its own right, in particular should it be supported, if not controlled outright, by hostile external powers. PNG and the states of the South-West Pacific are too small to pose a direct military threat, and Australia's primary concern in their regard lies in the exclusion of other, potentially hostile powers from the region.²⁷² While the 1946 *Appreciation* noted that New Caledonia 'is within foreseeable rocket range of Australia's industrial area, may be of great consequence, and constant surveillance by the Intelligence Service is essential',²⁷³ that region only fully entered strategic guidance as an area of concern in the 1960s, when it became apparent that it would soon be the last region worldwide to gain independence from its European colonial powers.

During the era of 'forward defence', geography was central to Australian strategic guidance in focusing Australia's attention and defence effort on the security of the Malay peninsula. Its status as a British dependency provided a convenient Commonwealth framework for the Australian presence, as well as a larger ally whose presence was central to the overall policy logic of 'forward defence'. However, the importance of Malaya itself was based less on historical reminiscences about 'Fortress Singapore', than on the peninsula's position as the geographical linchpin that—together with the Philippine archipelago, controlled by the United States—could provide access for a hostile power on the Asian mainland to the area of 'direct military interest' discussed above. Even before the communist victory in the Chinese civil war created a major land threat to Western interests in Asia, the 1947 *Appreciation* used these considerations to define a 'danger line for hostile penetration'. The line passed through the Kra Isthmus in the Malay peninsula, a natural defensive position that was also highlighted in the 1956 *Strategic Basis*, and was proposed as the minimum northern limit for Australia's zone of strategic responsibility. In the 'chain of dominos' that, following the independence of former

²⁷⁰ See also Dibb and Brabin-Smith, 'Indonesia in Australian Defence Planning'.

²⁷¹ Chiefs of Staff Committee, *Appreciation of the Strategical Position of Australia*, 28 October 1947, para 89.

²⁷² See, for example, Department of Defence, *Defence 2000: Our Future Defence Force*, pp. 46-47.

²⁷³ Chiefs of Staff Committee, *Strategical Position of Australia*, 20 March 1946, para 98.

European colonies, ran from China through Vietnam, Laos and Cambodia, Thailand, and Malaya, to Indonesia, and, finally, to Australia, strategic guidance thus recognised the Malay peninsula as having an intrinsic importance that, for example, South Vietnam never did.

With the diminishing concern about communists' military expansion from the mainland into archipelagic South-East Asia during the late 1960s and early 1970s, geography began to influence strategic guidance in a third, distinct way that related to operational, rather than grand strategic questions. As part of the transition from 'forward defence' to the 'defence of Australia', *Strategic Basis* papers from 1971 on highlighted the importance of Australia's geographical setting in determining force structure priorities. The 1975 document, for example, stated that 'our environment, as distinct from defined threats or contingent threats, should be one of the determinants of the size and shape of the Force'.²⁷⁴ Henceforth, surveillance capabilities, maritime operations in the approaches to the continent and within an archipelagic environment, or land forces capable of operating over long distances in austere terrain would become areas of high priority. This use of geography as 'the independent variable in force planning'²⁷⁵ was applied most consistently and exhaustively in the 1986 *Review of Australia's Defence Capabilities*, and has since led to a common, but erroneous assumption that arguments based on Australia's geography only came to prominence in strategic guidance during the era of the 'defence of Australia'.

The Limits of Australian Defence Influence

The fundamental importance of all three of these geographically-based considerations ultimately lies in the basis they provided for the definition of durable priorities, which could then be used to develop strategic guidance for the future. The need to define priorities was central to Australian strategic guidance as discussed in this essay, because the limits of Australia's resources, in a wider national, as well as a more narrow defence sense, were always apparent in absolute terms, as well as in relation to Australia's strategic objectives. The limits to Australia's defence influence were thus the most enduring as well as the harshest feature of Australia's position after the Second World War, and central to all major periods of the country's post-war defence posture.

The 1946 *Appreciation* began by stating that

*Australia, being an isolated continent with a small population and limited resources, is unable to defend herself unaided against a major power. It follows that a policy of isolation can only lead to disaster, and that her strategy must be based upon co-operation with other nations.*²⁷⁶

The later strategy of 'forward defence' in South-East Asia was based on three related judgements about the limits of Australia's defence influence. First, that Australian engagement with its allies in South-East Asia was less expensive—in financial, political and human terms—than an alternative strategy based on the continent itself. Cabinet expressed this view twice in response to *Strategic Basis* papers in which the

²⁷⁴ Defence Committee, *Strategic Basis of Australian Defence Policy*, 3 October 1975, para 276; also 251-253.

²⁷⁵ Paul Dibb, 'Is strategic geography relevant to Australia's current defence policy?', *Australian Journal of International Affairs*, vol. 60, no. 2 (June 2006), pp. 247-264.

²⁷⁶ Chiefs of Staff Committee, *Strategical Position of Australia*, 20 March 1946, paras 1, 2. See also Defence Committee, *Strategic Basis of Australian Defence Policy*, 11 October 1956, para SR 42.

Defence Committee argued for a more independent posture—first in 1959, and then again in 1971. Second, Australia’s dependence on its allies meant that it had to subordinate its engagement to its allies’ policies even within South-East Asia—for example, by supporting US engagement in Vietnam, although Australia’s primary focus was on the security of Malaya. In the words of the 1968 *Strategic Basis*,

*Like all small countries we can best ensure our security by participating in regional security arrangements; as a result we find ourselves involved in situations not of our choosing and in the formation of which we have negligible, if any, influence.*²⁷⁷

Third, even within South-East Asia, Australia looked to its allies to shoulder the main burdens. For example, the 1953 *Strategic Basis* saw Australia as unable to make more than a ‘token’ additional contribution to the necessary strengthening of the allied presence,²⁷⁸ while its successor of 1956 mentioned that even the defence of the Kra Isthmus in Malaya might require US combat assistance.²⁷⁹ At the same time, however, both papers also highlighted the restrictions imposed by Australian legislation on overseas service by the Army Citizen Military Forces—an issue that the Cabinets of the day declined to pick up.²⁸⁰ As demonstrated by the introduction of National Service and increased financial layouts for defence in the following decade, Australia’s weakness at that time was, to an extent, also self-imposed.

As a new conceptual framework was developed in the *Strategic Basis* papers from 1968 on, the judgement on the relative cost of ‘forward defence’ and a ‘defence of Australia’ was reversed. Partly, this can be attributed to the fact that the need for a capability for independent action had already been accepted for about a ten years. However, the main difference lay in the fundamental change of the international order in Asia: Australia’s allies, which had been central to ‘forward defence’, had left South-East Asia militarily and as colonial powers. At the same time, Australia found itself in a much more benign situation, to the extent that even the low-level contingencies that entered strategic guidance in the 1975 *Strategic Basis* were credible, but not likely. In the absence of a major power threat, the need to rely on powerful allies did not pose itself immediately and directly, other than in the unlikely contingency of global nuclear war, for which Australia relies on US extended deterrence to this day. This did not in any way mean that the ANZUS treaty became less important to Australia, but its immediate importance now derived less from the inherent promise of assistance against major assault, than the fact that it is the basis for Australian access to US technology, intelligence and other assistance that made a self-reliant defence posture in the ‘defence of Australia’ possible and affordable.

In recent years, the geographic boundaries of Australia’s military ambitions have to some extent increased again. The *Defence 2000* White Paper introduced stabilisation operations in the South-West Pacific and the ability to contribute to high-intensity maritime coalition operations in South-East Asia, as well as the wider Asia-Pacific, as explicit force structure determinants besides the ‘defence of Australia’. This was largely confirmed in the *Defence Update* of 2007, which included an increased focus on operations in the Middle East compared with the White Paper, but not to the significant extent of the *Update* two years before.

²⁷⁷ Defence Committee, *Strategic Basis of Australian Defence Policy*, 19 August 1968, para 173.

²⁷⁸ Defence Committee, *Strategic Basis of Australian Defence Policy*, 8 January 1953, paras 54, 64.

²⁷⁹ Defence Committee, *Strategic Basis of Australian Defence Policy*, 11 October 1956, para SR 40.

²⁸⁰ Defence Committee, *Strategic Basis of Australian Defence Policy*, 8 January 1953, para 63; Defence Committee, *Strategic Basis of Australian Defence Policy*, 11 October 1956, para 35.

However, the basic quandary of the independent ‘forward defence’ policy canvassed in the 1968 and 1971 *Strategic Basis* papers still remains: Within an overall benign international order in Asia, Australia can have a real and useful influence on strategic developments. But ultimately, that influence is marginal, and it is beyond Australia’s military or economic power to prevent major change that could, once again, create situations in which the country faces a direct threat without the assurance of allied support—as was the case in the 1960s and, in an even more urgent form, in 1942. The challenge facing strategic guidance is hence to find ways of reconciling, or prioritising between, two potentially conflicting approaches to defence planning decisions that will largely determine the shape of the ADF for decades to come: On the one hand, increases in Australia’s capability for a contemporary form of ‘forward defence’ in order to push the limits of Australia’s influence through expeditionary operations alongside the United States or major regional allies. On the other hand, preparations for the possibility that Australia may, at some stage, be confronted again with developments in Asia that are beyond its power to avert and lead to a contingency in the direct defence of Australia. It is a sobering note in this regard that from 1959, all *Strategic Basis* papers included in this edition remarked that while the acquisition of nuclear weapons by Australia was not necessary in then-present circumstances, this would not necessarily remain the case indefinitely.²⁸¹

Ultimately, even a policy of self-reliance thus cannot avert the fact that, above a certain level of conflict, Australia remains dependent on its allies for its ultimate survival. At the same time, it is impossible to be certain that assistance will always be forthcoming, and alliances create their own demands that can detract from a focus on the defence of the country itself. These basic tenets of Australia’s strategic position have been valid since before Federation, and remain so to this day—even if such a major threat is not currently credible, let alone likely. At the heart of the strategic guidance documents included in this edition, and those that followed them, thus ultimately lie judgements on how the inherent contradictions in Australia’s strategic position can best be accommodated, in the context of the specific circumstances at the time.

²⁸¹ The political sensitivity of this topic, following Australia’s ratification of the Nuclear Non-Proliferation Treaty, is highlighted by the Cabinet Decision on the 1976 *Australian Defence White Paper*. The only change of substance made by Cabinet to the text was the deletion of the following two sentences from the original draft: ‘We see no requirement in our present and prospective strategic circumstances to acquire nuclear weapons. Such a move would also cause concern among many nations of importance to us; it would impose a heavy and at present unnecessary burden on our defence effort.’ See Cabinet Decision No. 1656 (FAD), 18 October 1976, NAA: A12909, 703.