

---

**Sent:** Sunday, 21 September 2008 16:12  
**To:** White Paper  
**Subject:** WWW Submission: 1. Strategy/International [SEC=UNCLASSIFIED]

Name: Wayne Reynolds  
Organisation: University of Newsastle, NSW

Submission: The United States has assumed that it will not face a peer competitor until at least 2015 and in that context has developed a framework in which Australia has operated - with an increasing emphasis on asymmetric threats. The United States has also shifted its emphasis to the trans-Caspian and Middle East, the latter commanding considerable Australia resources. In the longer term there seems to be a consensus among policy-makers that the United States will continue to provide an extended nuclear umbrella and support in major conventional conflicts. Consequently Australian strategy is bound up with acting as a key regional player which can also provide support for operations further afield. Historically, of course, Australia planners have always grappled with this sort of balance. The Middle East, for example, provided a key focus until the Canberra talks of December 1953. The current planning to prepare for a two war capability is one sense represents a key departure from developments after that point. This presents Australia with a range of immediate strategic challenges:

1. Maintaining interoperability with a power that spends nearly \$600 billion on defence.
2. Providing forces for a range of conflict scenarios in the Middle East.
3. Providing sea and air forces to dominate the region to Australia's North West.
4. Providing land forces in the arc of islands the Australia's north, including those needed to stabilise conditions along two land borders with Indonesia.
5. Maintaining sea forces to maintain trade links and to deter forces from dominating the strategic southern Ocean where Australia's Antarctic claim is disputed
6. Maintaining special forces that can operate in a range of environments, from operations like Anaconda to those in the tropical island screen.
7. Recruitment not only for a wider spread of operations but for a range of tasks associated with 'military operations other than war'.

Yet a cursory look at studies now under way into 'nuclear roll-back' by the United States Defense University and elsewhere would suggest the need to consider the implications of relying on the American nuclear deterrent. This is not to dismiss the many strategic benefits that accrue (stealth weapons to enhance strategic strike, command and control, delivery systems, the utilisation of space assets and so on) but in the immediate to longer term the spread of nuclear weapons and advanced delivery systems combined with a retrenchment of American commitments (which may be hastened by the 'three trillion dollar war' in Iraq and the recent injection of unprecedented funds into the capital market by the Federal Reserve) would suggest prudent preparation that would allow Australia to match this sort of threat. The cost of the so-called C4ISR road is well understood but there is a clear need to broaden Australia's nuclear effort - starting with the expansion of effort in expertise from universities.

After 2015 the engagement of China will raise key issues here. As a potential peer competitor it could well trigger a rekindling of nuclear weapons programs in South Korea, Taiwan and beyond. The regional push into nuclear power will potentially exacerbate this risk. The problem historically, however, was that attempts to establish multilateral solutions, such as an Asian Euratom, essentially based on Japan and Australia to the late 1970s, were not well received in the United States. That may have changed, however, with the Bush Administration's Global Nuclear Energy Partnership. Australia has a critical role to play, not only by virtue of its uranium, but also because it is a 'principal power' in the region. Evatt made the point in his diplomacy after 1944. A regional nuclear agreement would potentially integrate the ambitions of Indonesia and other states of concern to Canberra. Australian leadership here will require, however, the completion of a full nuclear fuel cycle.

The development of enriched uranium, which can be traced to 1965, would secure Australia's potential to weaponise if the NPT regime were to collapse. Work could be undertaken on nuclear propulsion. Such advances would also allow a more measured debate about waste storage. In isolation these items have had the kiss of political death, but they also go to the heart of Australia's dependence on the export of raw

materials - a point not lost long ago on Rex Connor. The technological spin-offs will be considerable, as the Pangea proposal once suggested. More importantly, the development of Iranian-type cycles in the region can be averted. For such measures to succeed, however, Australia will have to engage the support of the United States on the one hand (commercial enrichment, cooperation on waste storage), and key regional powers on the other. It will also be important to put the debate on global warming and nuclear power into the context of global and regional security.

That said there is every chance that the scenario presented here will not be possible. In that case defence strategy will have to embrace a dual-purpose industry policy that can deliver a nuclear weapons capability if necessary. Manpower planning to facilitate to that end will also be required. I would add parenthetically that there is a need to facilitate the development courses in strategic studies across Australia's campuses (rather than the unfortunate tendency to leave such matters to some one or two centres and to external think tanks such as ASPI, Lowy, Kokoda Foundation) to prepare for such debates - and indeed potentially increase recruitment.

Australia's defence budget will need to expand. Indeed it has already done so remarkably since 1999 but the increasingly complex threat environment, combined with a need to expand scientific and industrial capability, would seem to be warranted. This might be seen to conflict with the need for fiscal conservatism but it is an equal bet that the fall-out from the current financial crisis will see a major change to the resources demanded by Government. Australia's plans for infrastructure, and for those beyond the resources boom, would suggest a much more robust role for defence.

I agree to my submission being published on the Defence website

I agree to my submission being quoted in the Community Consultation Report