

# THE AUSTRALIAN

## We need defence we can afford

MARK THOMSON THEAUSTRALIAN 12:00AM September 18, 2012

THE departure of Duncan Lewis as secretary of the Department of Defence adds to the sense of despair, if not crisis, that has engulfed the Australian defence establishment in recent times.

Following the savage cuts to defence spending in the May budget, our defence planners have been caught in an impossible situation.

On the one hand, the government has raided the defence budget in its scramble to deliver a surplus before the next election. On the other, the government is saying that it's committed to delivering the core capabilities promised in Kevin Rudd's 2009 defence white paper.

It's loaves and fishes time up on Russell Hill. So how much defence does Australia need anyway? Following the savage cuts to defence spending in the May budget, many fear that our defences are being weakened excessively in the face of emerging risks, in particular from China. Given recent Chinese assertiveness in the South China Sea, it's easy to understand their concerns.

Nonetheless, I believe that Australia can responsibly adopt a less ambitious defence posture than envisaged in the 2009 defence white paper.

Indeed, I believe that many of the multi-billion-dollar acquisitions planned back then would add little to our security.

Here's the critical point: no amount of defence spending will ever give Australia the ability to tip the balance of power in the Asia-Pacific.

Like it or not, the future of the region will be decided by the US and China - with Japan and perhaps India having some impact at the margin.

For politicians who like to boast that Australia "punches above its weight", this is a bitter pill to swallow. But to pretend otherwise risks wasting tens of billions of dollars on hi-tech defence equipment we don't need.

War is not a participation sport. Unless there is something substantial to be gained, we should not even consider risking Australian blood and treasure. To the contrary, we should develop a defence force to deal only with events we can influence, and especially those where we may have to act alone.

With this in mind, there are two obvious tasks for the Australian Defence Force.

First, we must be ready to help stabilise the fragile countries on our periphery - as we've done in East Timor and Solomon Islands. Second, we need the ability to deal with any challenges to our security from Southeast Asia.

In both cases, we need to be able to act independently. No country has as much interest in the stability of our close neighbours as we do, and it is easy to conceive of the US distracted, or with divided interests, during a conflict in Southeast Asia involving Australia.

The ability to deal with these types of challenges cannot be taken for granted.

Fortunately, the past decade has seen the ADF substantially strengthened. Not only is the force larger, it's also much better equipped. With the right choices, we have a sound base on which to craft a defence force appropriate to our needs.

Of course there are still problems - big problems - with the way the Defence Department is managed. But let's not confuse the scale and intrinsic capability of the ADF with its day-to-day management. No amount of money will fix the latter.

Finally, there's a third goal for our defence force. As allies of the US, we need the ability to make credible contributions to US operations in the Asia-Pacific and beyond. In planning to do so, it's critical to understand that it ultimately will be our political support that matters, not whether we muster decisive military force. So it is with

Afghanistan today, and so it was with Iraq, Vietnam and Korea previously. With more than 2500 troops overseas, it's clear that today's defence force already provides ample options for these types of mission.

We also need to support the US in peacetime.

Specifically, it is profoundly in Australia's interests to encourage the US "pivot to Asia". Not by preparing the ADF for high-intensity operations in north Asia but by being ready to take care of our own security closer to home. Such an approach would allow us to adopt more modest capability goals at reduced cost and risk.

Rather than design and build a fleet of 12 long-range conventional submarines larger than any seen on earth, we could settle on six smaller vessels based on existing proven designs.

Rather than purchase the F-35 Joint Strike Fighter, we could consolidate around our recently acquired F-18 Super Hornet fighter capability. And rather than replace our present Anzac frigates with larger and more capable vessels, we could extend their service life to get a better return on our investment.

Across the force, more realistic aspirations would result in substantially reduced costs.

And there's something more we can offer the US: a partnership to build co-operation and trust with Southeast Asia. This is our part of the world. We should be helping our ASEAN neighbours forge stronger links with the US. Doing so would strengthen the US pivot and bolster our defence.

For too long Australia has viewed Southeast Asia only as a source of risk. We should now seize the opportunity to make it a source of security.

Of course, my proposal is predicated on the US remaining engaged in the region - unlike those who fear that the US will disengage and pull back to east of Hawaii.

Given Barack Obama's announcement of a US pivot back to Asia - in a speech last year at no less a venue than the Australian parliament - this seems a fair bet.

So the way is clear for Australia to adopt a more modest and less costly defence posture than envisaged in 2009. Pity then, that Australian defence planning is an unmitigated mess.

Although funding has been slashed, all the big-ticket defence items remain on the books - despite mounting promises of increased social spending in the years ahead.

The only way out for the government is to set clear and affordable goals for the ADF. Until it does, it will be pretending to be ready to spend money it does not have to achieve the unachievable.

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