



ANALYSIS

# Future proofing Australia–New Zealand defence relations

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## EXECUTIVE SUMMARY

Australia and New Zealand should be natural military partners. But differences in their strategic outlooks and military priorities have sometimes placed limits on the extent of that partnership. Both countries published Defence White Papers in 2016 which suggest greater convergence in their priorities that should enhance their military cooperation in coming years. This includes a shared concern for the future of the rules-based order in Asia and for stability in the Pacific. Consistent with these concerns both countries are investing heavily in the development of maritime capabilities. In particular, some of New Zealand's leading priorities, including the enhancement of its maritime surveillance capacity, will allow for even deeper collaboration in this sphere.

Nevertheless, important differences in the defence outlooks of Australia and New Zealand are likely to persist. These include their respective views on how best to sustain the global order. New Zealand's maritime strategy also has a different geographical focus than Australia which drives a different set of capability priorities. The sweet spot in New Zealand's evolving thinking gives greater emphasis to Southern Ocean and Antarctic operations in addition to the requirements in New Zealand's vast Exclusive Economic Zone and its South Pacific obligations. For Australia, the main focus is the development of more combat-oriented capabilities driven by needs in its northern maritime approaches which are being read through a more expansive Indo-Pacific framework. Moreover, while the two Australasian allies are working closely together in Iraq at Taji Base in efforts to combat global terrorism, the core of their future strategic cooperation is likely to remain closer to home in the South Pacific.

As close neighbours Australia and New Zealand should be natural military partners. Their bilateral defence relationship is indeed a very close one. But significant differences in their strategic outlooks and military priorities have been evident for many years. With the two Australasian allies producing new Defence White Papers in 2016, it is timely to compare their strategic outlooks, and to consider whether their respective capability priorities may allow for an even closer defence partnership across the Tasman Sea.

Rose-tinted readings of history aside, sustained defence cooperation between Australia and New Zealand is a recent phenomenon. An ongoing bilateral defence relationship did not eventuate from the Canberra Pact which the two Australasian neighbours signed towards the end of the Second World War. And 60 years after the Gallipoli landings, in the 1970s Canberra and Wellington had still not found the recipe for closer defence cooperation, even though the logic for such links had been underscored by Britain's withdrawal from Asia, Washington's recalibration of its regional role, and the collapse of forward defence. The real momentum for closer trans-Tasman defence collaboration came in the mid-1980s. Concerns were growing in Wellington and Canberra about internal stability issues in the South Pacific, an area where both saw themselves as leaders. In the wake of the ANZUS crisis and the cessation of US–New Zealand alliance cooperation, Australia found itself having to set up a separate set of alliance relations with its near neighbour.

However, Australia and New Zealand have not brought together their respective military capabilities into anything resembling a single defence force. That level of integration remains unlikely and undesirable. Yet over the past three decades the two countries have worked together closely in a range of missions in the immediate region, including in Bougainville, East Timor, Solomon Islands, and Tonga. The most recent such cooperation occurred in Fiji as Canberra and Wellington responded to the devastation wrought in February 2016 by Cyclone Winston. Much further afield, since 2015 New Zealand forces have been working with their Australian counterparts at Camp Taji to train Iraqi forces. Along the way there have been some significant instances of combined procurement including New Zealand's involvement in the ANZAC frigate project. The two such vessels delivered to the Royal New Zealand Navy in the 1990s are about to receive combat systems upgrades in Canada, offering them greater ability to work with coalition partners including Australia.

At the same time, there will always be differences in the defence outlooks of the two Australasian allies. In particular, there are disparities in their respective threat perceptions, the intensity of their defence relations with the United States, their willingness to use force, and their commitment to acquiring advanced military hardware. However, sometimes these

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divergences are overplayed. Australia’s most recent Defence White Paper, published in February 2016, hints at the old triangular relationship by asserting that “Australia must work in partnership with our alliance partners the United States and New Zealand”.<sup>1</sup> And while trans-Tasman defence divergence has been as much about expenditure as political alignment, help may be at hand here too. New Zealand’s 2016 Defence White Paper, which came out just a couple of months later in June 2016, makes a pitch for the largest investment in capital equipment for the New Zealand Defence Force (NZDF) — “\$20 billion over the next 15 years” — in more than a generation.<sup>2</sup> That does not mean New Zealand will end up with a smaller version of the more potent Australian Defence Force (ADF). It should, however, allow confidence in Canberra about the prospects for enhanced cooperation.

## THE VIEW FROM CANBERRA AND WELLINGTON

The 2016 Australian and New Zealand Defence White Papers suggest that the two governments broadly agree on the nature of the contemporary strategic environment. Both countries place heavy emphasis on the international rules-based order, which it is in their interest to sustain, and which they see as coming under increasing pressure. Terrorism in the Middle East, and especially the challenge posed by Islamic State to the system of sovereign states in that region feature in their respective perceptions. But Canberra and Wellington seem especially concerned about the pressures on the rules in the Asia-Pacific regional maritime security environment. This ties in with the commitment of both countries to what amounts to a maritime strategy to guide the development of their respective force structures.

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Yet there are differences in the Australian and New Zealand depiction of these considerations. In East Asia, the Australian Defence White Paper is more willing to identify China’s assertiveness in the East and South China Seas as a central challenge to existing rules.<sup>3</sup> Australia’s answer to these challenges to the rules-based system has been to rely on the other great power in the regional picture. As the Turnbull government’s 2016 Defence White Paper argues:

“The presence of United States military forces plays a vital role in ensuring security across the Indo-Pacific and the global strategic and economic weight of the United States will be essential to the continued effective functioning of the rules-based global order.”<sup>4</sup>

An emphasis on a strong international rules-based order can also be found in New Zealand’s Defence White Paper. However, there is also a different tone which partly stems from a distinctively small state perspective. The Key government’s second White Paper advises that:

“This order provides protection by disciplining the exercise of national power through international law, custom and convention,

and accords the same rights to all countries, regardless of their size.”<sup>5</sup>

In naming state challengers to the rules-based system, Wellington identifies “Russia’s intervention in Ukraine, including the annexation of Crimea” as the clear problem in Europe.<sup>6</sup> In East Asia, however, New Zealand’s approach is more circumspect. Anticipating China’s almost certain rejection of the 2016 Arbitral Tribunal’s findings in the South China Sea arbitration, New Zealand’s Defence White Paper indicated that “It is important that all states respect the final outcomes of such processes”.<sup>7</sup> In keeping with this relatively restrained approach, designed partly to leave China with a way out, New Zealand’s statement in response to the Arbitral Tribunal’s findings called on “all parties to respect the ... ruling”, stopping short of declaring it legally binding.<sup>8</sup>

Many of the concerns in New Zealand’s Defence White Paper about challenges to the rules-based system focus on the South Pacific neighbourhood where many countries “face difficulties in effectively controlling their borders”.<sup>9</sup> This situation, the Paper argues, is being reinforced by transnational criminal activity including “illegal, unregulated and unreported fishing”.<sup>10</sup> It is also clear that Wellington is expecting increasing international pressure on resources in the Southern Ocean and Antarctica. This provides an opportunity to stake out New Zealand’s territorial interests in the context of international rules. Noting that “New Zealand maintains a right of sovereignty in the Ross Dependency”, the Defence White Paper also stipulates New Zealand’s “commitment to the Antarctic Treaty System, which sets the rules and norms governing state behaviour in Antarctica, and its permanent scientific presence at Scott Base”.<sup>11</sup>

## FROM OBAMA TO TRUMP: RELATIONS WITH THE UNITED STATES

Much of the revival in New Zealand’s military ties with the United States has come in the wake of New Zealand’s commitments in Afghanistan in the post-9/11 period. The Obama administration’s rebalance may have accelerated this process, but it began while George W Bush was still in the White House and Helen Clark was New Zealand’s Prime Minister.

The health of US–New Zealand defence relations was symbolised by the first visit of a US naval vessel to New Zealand in over three decades in November 2016. Rather than ushering in a new era in the relationship between Washington and Wellington, this development simply confirms how close the two have become. In the 2012 Washington Declaration, for example, New Zealand and the United States committed themselves to “Cooperate in the development [of their] deployable capabilities, in support of peace and security in the Asia-Pacific”.<sup>12</sup> This is sufficiently vague to allow for a variety of interpretations, including the idea that the two are now de facto allies.

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Formal alliance ties between New Zealand and the United States have remained a step too far. Moreover, while the authors of Australia's 2016 Defence White Paper felt it appropriate to refer to New Zealand and Australia as ANZUS allies, no such terminology appears in the New Zealand equivalent. "New Zealand has no better friend and no closer ally" than Australia are the words that the Key government selected.<sup>13</sup> No other country is referred to as an ally (the United States remains a close partner), and there is no mention of ANZUS.

These are no mere word games. Governments in Wellington are routinely obliged to declare that the much-prized principle of foreign policy 'independence' has been maintained. But the domestic peculiarities of defence policy in New Zealand do not mean that opportunities for trilateral cooperation (which might be read as de facto ANZUS collaboration) are being spurned. In 2015 New Zealand deployed two naval vessels, four aircraft, multiple army vehicles and over 600 personnel to Exercise Talisman Sabre.<sup>14</sup> There are also signs of Wellington's growing alignment with Washington and Canberra in North Asia. Japan is cited in the 2016 Defence White Paper as "an important defence partner for New Zealand, with common democratic values and a shared commitment to maintaining regional peace and security".<sup>15</sup>

Exactly what the election of Donald Trump as the president of the United States does for America's Asia-Pacific relationships remains to be seen. For New Zealand, it is likely to mean fewer opportunities to take common positions with Washington on important regional questions. As president-elect, Mr Trump indicated that he would take the United States out of the Trans-Pacific Partnership in his first day of office. For New Zealand, this is not just a trade policy blow, but a sign that the United States may no longer be at the forefront of Asia's ongoing integration. If the Trump administration adopts a passive-aggressive approach to regional strategic challenges, this will run against Wellington's commitment to an inclusive regional architecture involving all the major players. This includes China, which Wellington's 2016 Defence White Paper refers to as "an important strategic partner for New Zealand",<sup>16</sup> an approach foreshadowed in 2015 in a delicately drafted speech by Defence Minister Gerry Brownlee at China's National Defence University.<sup>17</sup>

However, Australia will probably find a Trump presidency an even riskier proposition. New Zealand may have become an increasingly enthusiastic endorser of the Obama administration's rebalance. But Australia has always been a central participant in this initiative, including as the host of US rotational forces. Successive Australian federal governments have sought to intensify the ADF's already significant relationship with US forces in material terms. Accordingly, the Turnbull government's Defence White Paper reflects a commitment to:

"capabilities that allow us to operate more seamlessly with United States forces in maritime sub-surface and surface and air

environments, as well as across the electro-magnetic spectrum.”<sup>18</sup>

Australia’s greater sensitivity to any changes in the regional strategic equilibrium make it more exposed than New Zealand to ‘the Trump moment’ in US policy. The United States alliance has played such a central role in Australian thinking that the Trump era may prove to be the largest shock to Canberra’s view of regional security since the late 1960s, when the withdrawal of British power in Asia was coupled with an introspective America in light of the increasingly controversial Vietnam War. The more Australia doubts the Trump administration’s commitment to America’s Asian alliances and to safeguarding Asia-Pacific security, the more Canberra will want to strengthen its other regional relationships, including with New Zealand. One signal from the Trump view of foreign policy is that Washington will come to expect even more from allies and partners in the contributions they make to regional security. This is not a new expectation, given Washington’s reliance on Australian and New Zealand security leadership in the South Pacific and East Timor. But the new administration in Washington will amplify that trend. This can only be a spur for closer trans-Tasman collaboration.

## MARITIME EMPHASIS

Trans-Tasman cooperation will occur against the backdrop of an increasingly strong focus by both New Zealand and Australia on the maritime dimensions of their regional security interests and force structure priorities. Once again, however, there are differences in the way that Wellington and Canberra view their strategic settings.

While New Zealand continues to hold to an Asia-Pacific conception of its regional environment (with a significant emphasis on the South Pacific dimension), Australian strategic thinking increasingly occurs through an Indo-Pacific regional lens. Coupled with a more expansive Australian view of its northern maritime approaches, this has offered further encouragement to the strengthening of Canberra’s connections with its maritime Southeast Asian neighbours. Especially important are relationships with partners who share some of the same concerns about China’s increasing maritime power. Australia’s long-standing Five Power Defence Arrangements (FPDA) connections with Singapore and Malaysia remain important. But the bandwidth of bilateral connections is increasing, and here three partners appear to stand out in particular: Singapore, Indonesia, and Vietnam. To the extent that these partners share Canberra’s concerns about America’s commitment to the region, Australia will probably find extra scope to develop these relationships.

Wellington’s strategic horizon still stretches to include Southeast Asia. New Zealand has conducted aerial patrols in the South China Sea for many years and remains a participant in FPDA exercises. In the 2014 Defence Assessment, the New Zealand Ministry of Defence made the

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surprising assessment that while the FPDA “has diminished in importance as a strategic defence arrangement, it retains its value diplomatically”.<sup>19</sup> Normal service is resumed in the Defence White Paper where New Zealand commits itself to meeting its FPDA obligations “should Malaysia or Singapore be subject to a military attack” (although those knowledgeable about the FPDA will appreciate these extend to consultations and do not necessarily imply a military response).<sup>20</sup> But any reader of New Zealand’s Defence White Paper will be struck by the fact that virtually nothing is said about bilateral defence connections with new partners in Southeast Asia. Accordingly, Wellington’s apparent military myopia in a part of the region of such importance to Australia is a natural break on the wider regional potential for trans-Tasman defence collaboration.

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The most obvious difference in Australia–New Zealand maritime strategic thinking lies in the area of force structure, a fact exacerbated by Canberra’s commitment to maintaining a maritime combat edge in its strategic neighbourhood. This includes the two most expensive items on any Australian Defence Capability Plan in history: the Joint Strike Fighters and the commitment to 12 new submarines. It includes the commitment to purchasing P-8 long-range surveillance aircraft, the procurement of three air warfare destroyers, and plans for several future frigates with significant anti-submarine warfare (ASW) capabilities to replace the Anzac-class vessels. Australia’s maritime reach in Asia is also boosted by aerial refuelling and early-warning aircraft, both significant force multipliers, and the introduction of two large amphibious vessels.

Readers of New Zealand’s Defence White Paper will not find anything similar in terms of a commitment to so many major items of defence hardware or a focus on maritime combat capabilities. However, the \$20 billion capital investment plan is historically significant by New Zealand standards. This is designed to support the largest program of acquisition since the Vietnam War. Among these are replacements for the C-130s and 757s transport aircraft, the P-3 Orion maritime patrol aircraft and the two Anzac frigates.

Especially with respect to the last two of these three most significant items on New Zealand’s shopping list, the maritime dimension looms large. Perhaps the leading such example is the commitment to enhancing New Zealand’s maritime surveillance capabilities, including for ASW operations. A close read of the Defence White Paper indicates that Wellington wants the replacements for the P-3 Orions to involve a step up in overall capability in this area. And the wider utility of this capability is clear in the commitment to upgrading the current airframes which:

“enable the Government to continue to offer a highly valued capability to international coalition operations. Work is currently underway to upgrade the Orions’ underwater intelligence,

reconnaissance and surveillance capabilities, with the entire capability scheduled for replacement in the mid-2020s.”<sup>21</sup>

To Australian eyes, this might read like a statement of the obvious. But in New Zealand underwater missions have for some time been an area of domestic political sensitivity, with concerns that an ASW capability may lock the NZDF into overseas combat missions that might not necessarily be in the national interest. However, more than a decade and a half after the Clark government rejected a modernisation of the Orion’s ASW capabilities, the current proposal to do just that has raised barely a ripple.<sup>22</sup>

This indicates that the domestic political context in New Zealand is now more amenable to the procurement of more advanced maritime military capabilities. Similarly, little obvious complaint has accompanied the announcements of upgrades for the two Anzac frigates which the Defence White Paper argues are New Zealand’s “only maritime force element capable of operating across the spectrum of operations, from constabulary and humanitarian tasks to combat roles as part of a multinational coalition”.<sup>23</sup>

The big question, however, is not whether the NZDF will have *some* ability to operate in maritime East Asia. The question is how much of a priority this will be for the New Zealand Government, and how much this will contribute to the overall shape of the future NZDF. At least in comparison to the logic expressed in the Australian Defence White Paper, there are clear limitations in this regard on the other side of the Tasman.

The maritime strategy articulated in New Zealand’s Defence White Paper points in a different overall direction from Australia’s. Wellington has presented a set of three priority areas which only overlap to some extent with the focus of Australia’s maritime military effort. These are New Zealand’s commitments to the security of Pacific Island Forum countries (which are surrounded by ocean), its responsibility for its own vast exclusive economic zone in an era of increasing resource competition, and an increased focus on the Southern Ocean and Antarctica. The last of this trio was one of the headlines for the launch of the Defence White Paper, possibly reflecting a political judgement that cross-bench support for ongoing defence investment is more likely if New Zealand’s southern interests are emphasised in the justification.<sup>24</sup>

Missions in the colder parts of New Zealand’s main area of maritime strategic interest are major factors in at least two of the nearest procurements for the NZDF. The replacement tanker, being purchased from a South Korean shipyard, is to be ice-strengthened, and so too will a third offshore patrol vessel. Likewise, New Zealand’s ability to operate in the South Pacific appears to be a significant driver for the procurement of a littoral operations support vessel, the third addition to the Royal New Zealand Navy foreshadowed in the Defence White Paper. Even here a wider context is important. The November 2016 Defence Capability Plan indicates an ambitious remit:

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“The Littoral Operations Support Capability will support the Navy’s Littoral Warfare Support Force, enabling maritime forces to operate as an advance force, conduct short-notice, short-duration rapid environmental assessment missions to prepare local and regional ports, inshore waters and beachheads for maritime and amphibious operations in a national or coalition task force.”<sup>25</sup>

## IMPLICATIONS FOR NEW ZEALAND–AUSTRALIA DEFENCE RELATIONS

Despite evident differences, the maritime strategic emphasis on both sides of the Tasman provides clear opportunities for enhanced New Zealand–Australia defence cooperation. But Wellington and Canberra will have to work deliberately to take advantage of the areas of common strategic interest which do exist, and to ensure that where priorities differ, their respective force structures can still be complementary.

Examples of where the two Australasian allies will develop military capabilities based on the same platforms can still be found. The most significant example is likely to be in maritime surveillance. New Zealand’s upgrading and eventual replacement of the P-3 Orions represents the single most important defence capital investment decision for New Zealand over the next decade. This capability will help to bridge the gap between New Zealand’s South-Pacific–New Zealand–Southern Ocean focus and Australia’s emphasis on its northern maritime approaches. It is relevant in the maritime Southeast Asian context (including the FPDA) and offers a coalition-ready platform which can be deployed beyond the Asia-Pacific region.

Canberra can have reasonable expectations that New Zealand’s procurement choice in this area will work in a similar direction to its own P-8 plans. But the same cannot be said for New Zealand’s replacements for the Anzac frigates. Australia’s future frigate is likely to be too large and expensive for New Zealand’s needs and its budget. As the third (and last) of the major replacements on New Zealand’s schedule, the frigate replacements are most likely to bear the brunt of any cuts to future investment in the NZDF should a serious economic downturn occur in coming years. Even if those headwinds do not eventuate, Wellington is likely to seek replacements which may or may not be frigates — independently from Australia.<sup>26</sup> The priority for Wellington will be to ensure that the replacement vessels it purchases will be interoperable with their larger and more able Australian counterparts. But they will not in all likelihood be identical.

This is not a new principle. For some time, Australia and New Zealand have been in a situation where the complementarity of their armed forces is the aim rather than the co-production or co-purchase of the same equipment. While New Zealand’s third offshore patrol vessel (which will

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be ice-strengthened) may not be a carbon copy of those produced for the Royal Australian Navy, it will nonetheless extend the mix of Australian and New Zealand patrol options in situations where coordination is called for. The same goes for replenishment tankers, an area which will attract Australia's attention in the coming years. New Zealand's existing multi-role vessel, the HMNZS *Canterbury*, and the promised littoral operations support vessel, offer greater flexibility for South Pacific options for Australia and New Zealand together than Australia's much larger amphibious vessels alone might achieve. At the same time, the latter should offer more deployment options than New Zealand is able to provide.

## PACIFIC FOCUS

Much of the glue in the Australia–New Zealand defence relationship will continue to come from common priorities in the South Pacific. This is partly crisis-dependent. Australia and New Zealand cooperation was more obvious, for example, when the two countries were working together in the Regional Assistance Mission to Solomon Islands, which began in 2003, as it was earlier in Bougainville. New Zealand's significant participation in the Australian-led INTERFET mission in 1999 created a similar profile.

In 2016, the response of Australia and New Zealand to the Fiji cyclone confirmed the mutual importance of South Pacific missions in which both countries expect themselves (and are expected) to take leading roles. While an extensive mission in personnel terms, such a disaster relief effort does not bring quite the same array of security challenges that can come from a major stabilisation operation. Both the East Timor and Solomon Islands experiences have shown that major operations can involve longer and more complex commitments than either Canberra or Wellington might initially anticipate. This brings into focus one of the most important judgements in New Zealand's 2016 White Paper:

“The economic, social, environmental and governance pressures that South Pacific countries continue to face indicate that it is also likely the Defence Force will have to deploy in support of a Pacific Island Forum member over the next ten years, for a response beyond humanitarian assistance and disaster relief.”<sup>27</sup>

For Australia, the most worrying such scenario would be a severe breakdown in law and order in Papua New Guinea. If a request for assistance came from the government in Port Moresby, Australia may well be obliged to assist. That might be enough also to trigger the provisions of the Pacific Islands Forum's Biketawa Declaration, which provides for a regional response to crises.<sup>28</sup> In such a situation, New Zealand would quickly become Australia's most significant partner alongside a number of Pacific Island countries. Little extra-regional support could be counted on.

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Collaboration in the near neighbourhood requires, therefore, more attention from Wellington and Canberra than either of their Defence White Papers indicate. It means paying continuing attention to the deployability of Australian and New Zealand components from the sea and air, potentially into areas where supporting infrastructure (including ports and airfields) is limited. There is a clear maritime security dimension to this challenge, but such operations would place an even greater premium on deployable land force components. This includes light infantry, engineers, intelligence and logistic components, and in some cases special forces. It also brings back into focus the interaction of Australian and New Zealand military components with their counterparts from police and development agencies, and with non-government organisations.

As events beyond the immediate region continue to exercise the minds of decision-makers in Canberra and Wellington, it will not be easy to retain a strong mutual emphasis on the South Pacific. But that focus needs to remain a central part of regular high-level Australia–New Zealand defence meetings, even in the absence of a significant mission of the type depicted above. In a 2011 report the Australian and New Zealand Deputy Defence Secretaries observed:

“We need to improve our ability to predict and respond in agile ways to destabilising events in the Pacific. This requires a coordinated effort to improve our understanding of the region and ensure we regularly share our analyses and strategic perspectives. It would also require the co-ordination of our respective capacity-building efforts to maximise positive outcomes.”<sup>29</sup>

Five years on, a fresh assessment of the extent to which these intentions have been realised is in order. Wellington will want Canberra to remain focused on Pacific matters whenever possible, including with respect to Melanesia. For their part, Australian officials will want assurance from their New Zealand counterparts about the NZDF’s ability to deliver force elements relevant to Pacific missions that are mentioned in the 2016 Defence White Paper. Perhaps the most striking example of these is the commitment to sustain “land combat capabilities with personnel, helicopters and armoured vehicles that can be deployed for up to 36 months” for missions both within and beyond the South Pacific.<sup>30</sup> According to New Zealand’s 2016 Defence Capability Plan, that means the capacity to mount “an independent operation roughly the size of the New Zealand Defence Force contingent deployed to East Timor in 1999”.<sup>31</sup> That would equate to 1100 personnel, no small order at around 11 per cent of the NZDF’s current regular strength (9181 personnel as at 31 March 2016).<sup>32</sup>

The two Australasian allies can also help each other as they grapple with their own emerging areas of strategic emphasis. New Zealand cannot of course hope to replicate Australia’s military connections with the countries

of maritime Southeast Asia. But Wellington still needs to lift its game in a period when tried and true commitments to ASEAN multilateralism (or even to the FPDA) need to be augmented by deeper bilateral connections into this important part of East Asia. Canberra can have a role in helping to shape opportunities for that deeper New Zealand connection. This includes building defence relationships of substance with both Indonesia and Vietnam.

The reverse may apply when it comes to the Southern Ocean and Antarctica. These are areas of mutual interest, and both countries recognise that there is increasing regional and global involvement including activities not in keeping with the spirit of the Antarctic Treaty system or Wellington and Canberra's territorial, environmental, and resource protection concerns. However, a comparison of the two 2016 Defence White Papers indicates these concerns are a bigger defence priority in Wellington than they are in Canberra, including for the development of military capabilities. This may make it logical for Wellington to initiate trans-Tasman consideration of likely Southern Ocean and Antarctic defence tasks. This is undoubtedly an especially challenging environment in which to operate and many questions deserve close attention. For example, under what circumstances is the capacity to apply force relevant and under what circumstances might it be counterproductive?

In sum, the Australian and New Zealand governments may find it helpful to guide their future thinking on defence cooperation by what amounts to a shared area of strategic interest. This area has the South Pacific at its heart, but it extends to maritime Southeast Asia (at least the parts closest to Australia) and also to the Southern Ocean. While such an approach feeds nicely into a shared maritime strategic concept, Canberra and Wellington also need to prioritise their ability to work together in deploying suitable land capabilities for South Pacific missions.

This notion of a shared area of strategic interest would help future-proof trans-Tasman defence relations. But it would not require both Australia and New Zealand to see that area, or their interests within it, in identical ways. As for the South Pacific, Australia would maintain a stronger relative interest in Melanesia as New Zealand would in Polynesia. In maritime Southeast Asia, New Zealand would not be expected to replicate Australia's maritime military capability edge, and would not be expected to be as closely connected to US activities and operations, regardless of how these intensify or atrophy in the next four years. In the Southern Ocean and Antarctica, Canberra and Wellington would not be required to pretend that they don't have some competing priorities.

Neither would they want this notion of a shared area of strategic interest to be the sum total of their respective defence personalities. Australia could find an excessive emphasis on working with New Zealand might blunt the advanced military capability development it has in mind. And

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New Zealand would not want its sovereign identity to be subsumed by Australia's larger ambitions, or to swap its familiar conception of Asia-Pacific security for Canberra's Indo-Pacific formula. The recent history of Australia–New Zealand defence cooperation relies on shared understandings that they will see things differently, but that these differences do not preclude effective cooperation. As the 2016 Australian Defence White Paper observes:

"We recognise that New Zealand will make its own judgements on its national interests, and that New Zealand's military capability choices may not always reflect Australia's. Despite this, we will continue to coordinate our efforts with New Zealand in the South Pacific and in supporting our shared interests in a secure region and a rules-based global order."<sup>33</sup>

## CONCLUSION

The prevailing global order is being challenged. In such an environment Australia and New Zealand would be wise not to over-rely on the big powers. They will need to rely more on their own defence relationships with other medium and smaller countries in their region and on the military capabilities they are able to develop for themselves. In these circumstances the importance of trans-Tasman defence cooperation is likely to grow.

There are reasons for optimism about the state of this relationship. In their 2016 Defence White Papers, Australia and New Zealand are both committed to long-term capability programs that emphasise their interests in a secure and peaceful maritime strategic environment. They may define their areas of primary strategic interest differently, but there is enough overlap to suggest a common trans-Tasman defence zone where their cooperation can be focused. Similarly, significant differences in the size of their capability investment programs, and in the types of equipment they develop, do not preclude active collaboration between the two defence forces.

The biggest uncertainty may emanate from external changes, especially in the equilibrium of power between China and the United States. These changes will be of greater direct concern for Australia, the larger member of the trans-Tasman defence relationship. In an era when Canberra's policymakers will probably be looking for emerging defence partners in Asia who share a concern about the region's unsettled geopolitics, New Zealand is set to stand out as a modestly armed but reliable ally, especially for shared missions closer to home. But that will require Wellington to stick to its capability investment plan, develop an agreed set of shared defence tasks with Australia in their immediate neighbourhood from the South Pacific to the Southern Ocean, and strengthen New Zealand's anaemic set of bilateral defence connections with emerging players in maritime East Asia.

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## NOTES

<sup>1</sup> Australian Government, *2016 Defence White Paper* (Canberra: Department of Defence, 2016), 35, <http://www.defence.gov.au/WhitePaper/> (hereafter ADWP 2016).

<sup>2</sup> See Gerry Brownlee, “Ministerial Foreword”, in New Zealand Government, *Defence White Paper 2016* (Wellington: Ministry of Defence, 2016), 7, <http://www.nzdf.mil.nz/corporate-documents/defence-white-paper/> (hereafter NZDWP 2016).

<sup>3</sup> See further analysis in Robert Ayson, “Discovering Australia’s Defence Strategy”, *Security Challenges* 12, No 1 (2016), 44–47.

<sup>4</sup> ADWP 2016, 121.

<sup>5</sup> NZDWP 2016, 20.

<sup>6</sup> *Ibid.*, 32.

<sup>7</sup> *Ibid.*, 31.

<sup>8</sup> See The Hon Murray McCully, “NZ Comment on South China Sea Ruling”, Media Release, 12 July 2016, [https://www.beehive.govt.nz/release/nz-comment-south-china-sea-tribunal-ruling?utm\\_source=feedburner&utm\\_medium=feed&utm\\_campaign=Feed%3A+beehive-govt-nz%2Fportfolio%2Fforeign-affairs+%28Foreign+Affairs+-+beehive.govt.nz%29](https://www.beehive.govt.nz/release/nz-comment-south-china-sea-tribunal-ruling?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+beehive-govt-nz%2Fportfolio%2Fforeign-affairs+%28Foreign+Affairs+-+beehive.govt.nz%29).

<sup>9</sup> NZDWP 2016, 30.

<sup>10</sup> *Ibid.*

<sup>11</sup> *Ibid.*, 29.

<sup>12</sup> See “Washington Declaration on Defense Cooperation Between the Department of Defense of the United States of America and the Ministry of Defence of New Zealand and the New Zealand Defence Force”, 19 June 2012, 3, <https://www.beehive.govt.nz/sites/all/files/WashingtonDeclaration.pdf>.

<sup>13</sup> NZDWP 2016, 32.

<sup>14</sup> See New Zealand Defence Force, “NZDF’s Participation in Talisman Sabre 15”, Fact Sheet, <http://www.nzdf.mil.nz/downloads/pdf/public-docs/talisman-sabre-factsheet.pdf>.

<sup>15</sup> NZDWP 2016, 34.

<sup>16</sup> *Ibid.*, 33.

<sup>17</sup> Gerry Brownlee, “New Zealand and Security in the Asia-Pacific Century”, Speech to China’s National Defence University, Beijing, 28 September 2015, <https://www.beehive.govt.nz/speech/new-zealand-and-security-asia-pacific-century>.

<sup>18</sup> ADWP 2016, 122.

<sup>19</sup> New Zealand Ministry of Defence, *Defence Assessment 2014* (Wellington: NZDF and New Zealand Ministry of Defence, May 2015), 42, <http://defence.govt.nz/assets/Uploads/defence-assessment-2014-public.pdf>.

<sup>20</sup> NZDWP 2016, 40.

<sup>21</sup> Ibid, 48.

<sup>22</sup> See Franz-Stefan Gady, “New Zealand to Upgrade Anti-Submarine Warfare Capability”, *The Diplomat*, 30 August 2016, <http://thediplomat.com/2016/08/new-zealand-to-upgrade-anti-submarine-warfare-capability/>.

<sup>23</sup> NZDWP 2016, 46.

<sup>24</sup> Note the second paragraph in the New Zealand Government’s main media release, Gerry Brownlee, “Defence White Paper Signals \$20b Investment Plan”, 8 June 2016, <https://www.beehive.govt.nz/release/defence-white-paper-signals-20b-investment-plan>.

<sup>25</sup> New Zealand Government, *Defence Capability Plan 2016* (Wellington: NZDF and New Zealand Ministry of Defence, November 2016), 38, <http://www.defence.govt.nz/assets/Uploads/2016-Defence-Capability-Plan.pdf>.

<sup>26</sup> Ibid, 33.

<sup>27</sup> NZDWP 2016, 39.

<sup>28</sup> The Biketawa Declaration was adopted by Pacific Islands Forum leaders in 2000 and outlines guiding principles for good governance and courses of action for a regional response to crises in the region. The Regional Assistance Mission to Solomon Islands is one key initiative sponsored under the Declaration.

<sup>29</sup> Australian and New Zealand Secretaries of Defence and Chiefs of the Defence Force, *Review of the Australia–New Zealand Defence Relationship, Joint Report to Defence Ministers, 2011*, 3, <http://www.defence.govt.nz/pdfs/reports-publications/review-australia-nz-joint-report.pdf>.

<sup>30</sup> See NZDWP 2016, 51–52.

<sup>31</sup> New Zealand Government, *Defence Capability Plan 2016*, 28.

<sup>32</sup> New Zealand Defence Force, “Personnel Summary”, <http://www.nzdf.mil.nz/what-we-do/personnel-composition.htm>.

<sup>33</sup> ADWP 2016, 125.

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