

## **Australia's 2016 Defense White Paper: forward funded defense** by Euan Graham

*Euan Graham ([EGraham@lowyinstitute.org](mailto:EGraham@lowyinstitute.org)) is director of the International Security Program at the Lowy Institute for International Policy.*

If one word can sum up the 2016 Australian Defense White Paper (DWP 2016), it is “forward.” The document is more “forward” than its predecessors in terms of projected funding commitments and the dizzying time-scales and costs involved in delivering complex platforms like submarines and frigates. More controversially, since ‘forward defense’ has Vietnam-era connotations in Australia, it also signals a more geographically forward defense posture and pattern of engagement in the region.

An upfront commitment by the Coalition government to inject an extra A\$30 billion into Australia’s defense budget by 2025 goes a long way toward pre-empting the most vital criticism of previous white papers – they lacked credibility because ends were divorced from means.

By joining the capability dots to dollar signs, and ramping up defense spending, DWP 2016 should be recognized as a serious effort to prioritize defense funding beyond Australia’s short election cycle. This is no small political commitment by Prime Minister Malcolm Turnbull’s government as it goes into an election this year and faces an uncertain economic outlook.

A defense white paper is not only about convincing Australian taxpayers, voters and shipbuilders, however. It is also about communicating Canberra’s strategic intentions and concerns to allies, partners, and potential adversaries. A “fully-costed” DWP is therefore important to restoring diplomatic credibility to its messaging along the spectrum from reassurance to deterrence.

Australian observers have been quick to note that no future government is beholden to the budgetary promises of its predecessors. Even if the intended course is maintained, there are uncertainties about the management of risk for an unprecedented domestic naval build. And there are concerns about whether Defense will even be able to spend the extra money it is being given. But these are problems that most Western defense organizations would like to have.

The DWP’s release was delayed for several months following the leadership fight that saw Mr Abbott deposed as prime minister last September. Given that, and the transition to a new defense ministerial team, the DWP’s drafters did well to avoid the impression of creating an orphaned document. Unfortunately for Turnbull, a faultline on defense and security policy is opening up within his party, with Abbott himself leading the critics’ charge. Since the DWP was launched, previous drafts of the document have been leaked to the press and allegations made that the replacement for Australia’s

*Collins* submarine was pushed back several years in the version approved by Turnbull.

Upholding the rules-based order is the leitmotif that runs through DWP 2016. If there is a detectable nuance in world views separating Turnbull from his predecessor, it is to be found in the DWP’s strong emphasis on “rules-based” (mentioned more than 50 times), compared with more sparing reference to “values” than might have been expected under Abbott. DWP 2016 frames challenges to this rules-based order at both global and regional levels. But the strategic heart of the document lies at the regional level.

Despite these criticisms from the right of his own party, Turnbull has shown his willingness through the DWP to fund a significant expansion of the defense budget. But he may yet prove more circumspect than his predecessor about committing the Australian Defense Forces (ADF) operationally on the global stage, and closer to home, including the South China Sea, where the strategic stakes are higher. According to the DWP, Australia “is committed to working with the United States and like-minded partners to maintain the rules-based order by making practical and meaningful military contributions where it is in our interest to do so.”

Shared values, as well as interests, are featured in DWP 2016, but, given its more Indo-Pacific focus, in relation to four countries only: the United States, Japan, India, and New Zealand. Some may deduce an echo of the ‘Quad’ here, with a quint-ish facet across the Tasman Sea.

The regional ‘feel’ to DWP 2016 follows from the pessimistic tone of its outlook, which warns of gathering strategic storm clouds across Australia’s wider region. Even though the text acknowledges that there is “no more than a remote prospect of a military attack” on Australian territory and that the “US will remain the pre-eminent global military power,” the DWP still presents a gloomier outlook than previous editions, especially the further out the strategic timeline is projected.

The picture is of Indo-Pacific countries, with China in the vanguard, engaged in military modernization that is progressively extending the range and precision of their armed forces, including half of the world’s submarines and advanced combat aircraft by 2035. This is eroding the buffer afforded by Australia’s geographical isolation and undercutting the ADF’s much-coveted “capability edge” – especially given the long lead time for new weapons.

China is the obvious link between the DWP’s focus on maritime “points of tension” in the East and South China Sea, where Beijing’s land reclamation activities are singled out as a particular concern. The source of the challenge to the

prevailing order from “newly powerful countries” is clear in all but name. No doubt the classified version goes further.

Given the threatening maritime strategic environment highlighted in the DWP, there is a naval flavor to the major capabilities Australia has chosen to invest in. This includes a commitment to buying 12 “regionally superior” submarines, as the mainstay of Australia’s future conventional deterrent capability, but also part of a broader commitment to anti-submarine warfare (ASW), including more *P-8A* aircraft, MH-60R *Seahawk* helicopters and the acquisition of new frigates starting construction from 2020. Maritime and ASW will receive a full quarter of the new capability investment in the decade to come. This does not count separate investment earmarked for amphibious capability, maritime Intelligence, Surveillance, and Reconnaissance (ISR) capabilities, and long-range strike weapons for the Air Force.

Long-neglected ‘enablers’ are also to be funded, providing for upgrades to some of Australia’s aging basing infrastructure, including the airfield on Cocos Island in the Indian Ocean, from where *P-8A* aircraft and *MQ-4C Triton* surveillance drones will have the range to patrol into the South China Sea and cover Australia’s western approaches. US Air Force and Navy rotations through Australia as part of the force posture initiatives will also benefit from the DWP’s commitment to upgrading ports, airfields, and other infrastructure.

The relocation of an optical space telescope from the US to Australia, presumably for satellite tracking and surveillance is the most interestingly detailed capability enhancement to the alliance revealed within DWP 2016. References to cooperation with the US on missile defense do not advance much beyond a working group to study options. Here one detects a note of Australian caution.

Overall, the ADF is to be equipped with longer-range, more lethal, and capable platforms and weapons systems. It will also be deployed further forward, and will not rely solely on Australia’s insular geography. The white paper is candid that the future ADF will have a “more regular surface and airborne Australian maritime presence in the South Pacific, Southeast Asia, North Asia and Indian Ocean.” Not everyone will be comforted by the prospect of Australia conducting “independent combat operations in our region.” But the flipside to such tough talk is Canberra’s longstanding desire to project self-reliance within the US alliance.

In the South Pacific, inter-state threats are less of a concern than the perpetual issue of state fragility, which could easily absorb the deployable strength of the ADF. The DWP affirms an ambition for Australia to continue playing a leading role in Humanitarian Assistance and Disaster Relief (HADR). The importance of this noncombat role was underscored even as the DWP was being launched, as Australia’s new flagship *HMAS Canberra* prepared for its first operational deployment to Fiji to assist in the wake of Tropical Cyclone Winston. At a time when Australia’s traditional sway in the South Pacific is being challenged, the importance of HADR as a source of influence and goodwill should not be underestimated.

With Japan, because the process for deciding which bid to supply the successor to the *Collins* submarine will not conclude until later this year, the DWP dodges where the dozen future submarines will be acquired, or even whether to build them in Australia. But there is heavy hint of collaboration yet to come through “developing common capabilities like the Joint Strike Fighter, air and missile defence and maritime warfare technologies.” Trilateral defense exercises with the US are also mentioned.

Southeast Asia features prominently as part of the DWP’s commitment to increased defense engagement. Defense engagement has its skeptics because it was oversold as a tool for political influence (with Indonesia) and mitigating strategic tensions (with China). But it does have instrumental, potentially strategic, dimensions. The DWP links engagement to the improvement of ADF capabilities, and building partnerships that will enable Australia’s military to deploy “quickly and effectively” in the region, and to operate “in concert with the ADF.”

DWP 2016 is the first white paper since Australia concluded a comprehensive strategic partnership with Singapore, and duly recognizes the island state as “Australia’s most advanced defense partner in Southeast Asia.” There is intention to pursue maritime and other security links with Vietnam and Philippines, including with the latter a capacity-building element.

Exercises, capacity building, and an expansion of training spots for foreign officers in Australia are part of the commitment to increase defense engagement and diplomacy directed at a “more active role in shaping regional affairs.” Between the lines, as with much in the DWP 2016, there is a harder edge to this. A key question is: can Australia maintain its military edge before the promised new capabilities arrive?

*PacNet commentaries and responses represent the views of the respective authors. Alternative viewpoints are always welcomed and encouraged.*