

## **Australia Bulks Up**

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Asia has long looked to the United States to underwrite two critical public goods: free trade and security. Now there is anxiety in the region about its continuing willingness and ability to do so, and governments are looking for ways to adapt. For the latest example, look no further than Australia's defense policy paper, released on Saturday.

The policy paper, which is the first military blueprint to emerge from the government of Prime Minister Kevin Rudd, lays out a grandiose vision for a stronger Australian defense force. The new force would have enhanced maritime capabilities (particularly for antisubmarine warfare), Joint Strike Fighters, a larger army, big amphibious ships to transport it and at least three air warfare destroyers to protect them. Australia's six existing conventional submarines will be replaced by 12 larger and more capable boats. And in a first for its immediate neighborhood, Australia would acquire land-attack cruise missiles.

If it happens, this will represent a significant expansion of Australia's armed forces, particularly its maritime power. To understand how Australia got here, it's important to revisit the recent history of U.S. engagement in Asia. The Bush administration generally performed well in Asia. The civil nuclear deal with India was a major strategic breakthrough; President Bush also succeeded in strengthening the vital U.S.-Japan alliance, the Australia-U.S. alliance and American ties with Singapore, Indonesia and Vietnam. Significantly, he achieved all this while at the same time building a pragmatic working relationship with Beijing and calming tensions between China and Taiwan. However, in 2007 an about-face on North Korea policy fed a growing sense of strategic uncertainty in Japan and perhaps among other U.S. allies. President Barack Obama's administration has continued this trend, and risks unsettling America's longstanding democratic allies in Asia by skimping on defense. The administration's first defense budget and subsequent statements by Secretary of Defense Robert Gates have downplayed the capabilities needed to fight a future conventional adversary. They can only put further on edge a region where unresolved historical and territorial legacies, new transnational threats and rapidly shifting power balances are swirling together in an increasingly volatile cocktail.

The Obama administration's recent decision to slash funding for missile defense and the F-22 Stealth Fighter program are particularly disappointing. Both are vital not just to future U.S. force posture in Asia but also to U.S. allies. Integrated missile defense capabilities are important to both Japan and South Korea. Refusing to release the F-22 to Japan has two consequences- helping to ensure the production line closes in the U.S. and implying American distrust for Tokyo. No wonder Japanese politicians of both stripes are weighing whether to develop their own autonomous national strike capabilities.

On the face of it, the Rudd government, too, has decided it is time to beef up. Canberra is obviously watching the U.S. budget process closely. Buried in the policy paper is the bland-seeming observation that "balancing the capabilities required for unconventional operations such as counter-insurgency and stabilization, while retaining strong high-technology conventional forces, will be a major challenge for U.S. defense planners." That's defense-planner speak for, "We're nervous you aren't going to spend enough money to keep ahead of China and maintain security in Asia."

The policy paper politely questions the rationale for China's rapid military modernization and notes its strategic implications, including the erosion of U.S. primacy. It rightly calls on China to be more open about its intentions and questions the need for Beijing to acquire power projection capabilities beyond those needed for a conflict over Taiwan.

At the same time, on close examination aspects of the policy paper suggest that Australia still holds out some hope that U.S. military primacy in the region might prove more resilient. Many of the new platforms will not be delivered inside the next two decades. And where the government could have responded more urgently, such as by taking up the existing option of acquiring a fourth Aegis-equipped destroyer and equipping them with SM-3 missiles for missile defense, it balked. And funding will be a big challenge.

After outlining the need for a bigger, more capable force, the paper projects a decline in funding on defense as a share of gross domestic product beyond 2017-18 and relies on the fanciful notion of finding 20 billion Australian dollars (US\$14.9 billion) in defense savings over the next decade to fund new capabilities.

Still, it's clear that if the Obama administration does not show it is serious about maintaining the U.S. military presence in Asia, Australia may end up with no choice but to get serious about strengthening its military defenses, even beyond what is in the policy paper. "Smart power" has its place, but U.S. allies in Asia would feel more secure if America backed reassuring rhetoric with real military muscle.

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