

No defence to warship blowout

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Few of us can say whether the ships and planes the government decides to build at such immense expense are what Australia needs, or whether they are being bought the right way. We must simply trust ministers and their advisers to act diligently and responsibly in the best interests of the country.

For a decade that trust has been misplaced. As Australia's strategic situation becomes more and more serious, Australian governments have become increasingly dysfunctional in providing for our defence.

To see just how dysfunctional take a look at how \$8 billion is being spent on three new Air Warfare Destroyers. There are three problems with this project. We do not need these ships. If we did need them, we shouldn't be building them in Australia. If we must build them here, we shouldn't be managing the project the way it is being managed.

Let's start with the last and least of these problems — management. Hull modules for the AWDs are taking shape in dockyards around Australia. Major arguments are already emerging between those involved. Melbourne's Williamstown dockyard, where some of the modules are being built, is in a dispute with project headquarters about who is responsible for defects in work already done.

These problems are the predictable result of the previous government's decision to run the project through a bureaucratic committee, rather than order the ships from a single prime contractor. No one knows who is responsible for what. Expect more muddle, delay and cost blowouts.

But this is only the first problem with a project that typifies what is wrong in Australia's defence organisation. We should not be building these ships in Australia at all, but buying them from overseas. The US would sell us comparable Arleigh Burke-class destroyers for about \$1 billion each.

That is not much more than one-third of the price we are supposed to be paying to build our ships here. It will be much less than one-third of the eventual cost, if the project keeps going the way it has started. And if the Arleigh Burkes are good enough for the US Navy, presumably they would be good enough for us. In some critical respects they would be much better than the ships we are paying so much more to build. For example, they will carry two helicopters instead of one.

Of course, many people say we must build our own warships in Australia. Most of them are employed by the defence industry, or by state governments that want a share of the action. They are wrong. There is no compelling strategic justification to pay this kind of premium to build the ships here. We are wasting around \$6 billion.

And don't let anyone tell you that it helps the wider economy. This kind of project actually harms the economy by diverting skilled workers from the mining and infrastructure sectors where they are desperately needed.

But it gets worse. The deep, sad truth about the AWD project is that we should not be buying ships like this at all. They are more capable and expensive than we need for low-level operations of the kind we have been doing recently around our neighbourhood, and they would have no useful role to play if Australia found itself in a major conflict.

To understand this, we have to consider some simple questions. What is Australia's naval strategy? What do we as a country need to be able to do at sea to defend ourselves and our interests, and how can we best do it? These questions become more pressing with every passing year, as China's rise overturns Asia's peaceful order. And yet the government has no answer to them.

One answer might be that Australia needs to be able to project power around Asia, sending our army on amphibious missions the way the Americans send in the marines. That seems to be the idea behind the big, new amphibious ships we are buying. In this vision of our naval strategy, the AWDs are supposed to defend the amphibious ships from hostile naval and air forces.

If there were any coherent rationale for the AWDs, this would be it. But it makes no strategic sense. The AWDs could never provide enough protection to justify sending amphibious forces to sea in the face of the kind of opposition they would face in a serious conflict against a major Asian power, or even a capable middle power.

Even the US is finding that in the Asian century, power projection by sea has become too risky to be realistic. For Australia, no matter how many AWDs we build, amphibious operations in a major conflict are not an option. And even if it were, how much strategic effect would 2000 Australian soldiers have in Asia, do we think?

In fact, the only credible strategy for Australia in any major conflict is to abandon any attempt to achieve the kind of sea control needed to send amphibious forces against an adversary, and instead do all we can to make sure that the adversary cannot send its amphibious forces against us. This approach — a sea denial strategy — is much simpler and cheaper than sea control, and is the only strategy we have any chance of being able to sustain independently.

So instead of wasting money on AWDs to implement a sea-control strategy that has no chance of working, we should invest instead in a large and capable submarine force, because they are the best way to achieve sea denial.

Can the navy be trusted to operate submarines effectively? Well, that's a whole different question, but the way to answer it is to transform the navy into an effective force that can do what we need them to do, not buy them ships we do not need.

Who is to blame for this slow-motion strategic train-smash? The Howard government is responsible for the original foolish decisions. Their Labor successors are equally responsible for failing to fix it since. The senior civilian and military advisers in Defence who have blandly assured ministers that all is for the best, must take a share of the blame.

But the rest of us — voters and taxpayers — must take a share, too. Our governments do defence policy so badly, because we make it so easy for them to get away with doing it badly.

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