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Australia's New Defence White Paper: Is It Achievable?

By Sam Bateman

Synopsis

Australia's new Defence White Paper provides for a massive increase in defence spending, largely to acquire new maritime capabilities, but questions surround whether this plan will be achievable and whether the paper's long term strategic outlook is valid.

Commentary

AUSTRALIA'S NEW Defence White Paper sets out a comprehensive long term plan for Australia's defence. It is underpinned by a fully-costed Force Structure Review and a Defence Industry Policy Statement acknowledging the fundamental contribution that industry provides to defence capability.

The Navy is the big winner from the plan with a commitment to acquire twelve long-range submarines, nine new frigates and twelve offshore patrol vessels, As well as the existing commitment to acquire 72 F-35A Joint Strike Fighters, Air Force capabilities will be boosted by fifteen P-8A maritime patrol aircraft, twelve EA-18G Growler electronic attack aircraft and seven Triton surveillance drones. The Army will get new armoured fighting vehicles, a riverine capability, and new armed reconnaissance helicopters. Personnel numbers in the Defence Force will be increased by 5,000.

Strategic Outlook

To deliver these capabilities, the White Paper provides a new 10-year budget plan with an additional AUD\$29.9 billion for defence. Under this plan, the defence budget

will grow to \$42.4 billion in 2020–21, reaching two per cent of Australia's Gross Domestic Product (GDP).

The White Paper acknowledges that the relationship between China and the United States will be the most strategically important factor in the Indo-Pacific region. While the paper purports to look out to 2035, it assumes little change in the current geopolitical environment. It claims that the US will remain the pre-eminent global military power over this period, but then its Figure 1 shows that by 2035, China's defence spending will be more than that of the US and will dwarf that of Japan. If this is so, it is difficult to see how the US will remain the dominant military power in the region, particularly if it maintains its global commitments elsewhere.

Other than some broad statements about competition and cooperation, the paper says little about how the bilateral relationship between China and the US might be managed. Basic questions are unanswered, such as what if the US is unable to sustain its current rebalancing to Asia.

The White Paper envisages that Australia will deepen its alliance with the US, which is central to Australia's security and defence planning. It will support the critical role of the US in underpinning security in the region. The paper strongly emphasises the importance of interoperability with the US. Around 60 per cent of Australia's spending on defence acquisitions is on American equipment.

Synergy with regional forces?

The paper stresses the need for Australian forces to be able to operate seamlessly with US forces in maritime sub-surface and surface and air environments, as well as across the electro-magnetic spectrum. This statement may be interpreted as a nod to the Japanese option for Australia's new submarines - American systems may be available with that option that are unavailable with the European options.

Increased defence international engagement is a key feature of the White Paper with plans for Australia sponsoring additional exercises with regional defence forces, with increased interoperability, and more overseas students to train in Australia. Australia overseas defence representation will also be beefed up.

Singapore gets special attention as Australia's most advanced defence partner in Southeast Asia. Under the Comprehensive Strategic Partnership signed between the two countries in 2015, expanding defence cooperation will be based on five areas: more exchanges of military and civilian personnel; new training initiatives and greater collaboration on shared challenges including terrorism and cyber security; greater intelligence and information sharing; expanding science and technology cooperation; and co-development of training areas. Australia will also seek to cooperate with Singapore in multilateral forums to promote regional security cooperation and a rules-based regional order.

Australia has already incurred the ire of China with the White Paper's comments on the East and South China seas. The paper notes that Australia opposes the use of artificial structures in the South China Sea for military purposes and also opposes

the assertion of territorial claims and maritime rights not in accordance with international law.

However, the paper is not as strong on perceptions of a threat from China as it could have been. Rather it commits Australia to continuing the development of defence relations with China to be achieved through increased personnel exchanges, military exercises, and other practical cooperation in areas of mutual interest, such as humanitarian assistance and disaster relief and countering piracy.

Is it Achievable?

It is highly questionable whether the plans in the White Paper are achievable, particularly in view of the revenue and spending crisis in Australia's national budget mainly produced by the collapse in Australia's mineral export prices. It is ironic that slower economic growth may permit the increase in defence spending to two per cent of GDP, but this fails to recognise that both personnel and equipment costs escalate faster in real terms than economic growth. For example, the current air warfare destroyer project is running at least AUD\$500 million over budget. And it is also relevant that none of Australia's previous Defence White Papers have ever been implemented as planned.

These doubts about the feasibility of the White Paper plans lead to suspicions that the paper is more about sending political messages than setting out something achievable. These messages are for domestic and regional audiences. The domestic messages are about jobs, particularly through naval shipbuilding, and innovation. Innovation is a recurrent theme in the White Paper reflecting a particular hobby horse of Prime Minister Turnbull.

Internationally, the White Paper demonstrates to the US that Australia is pulling its weight in the Alliance while showing China that Australia is concerned about its assertive behaviour in the East and South China seas. It is also a clear demonstration to Australia's regional friends and allies of its commitment to help building a more secure region.

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