

# Security Challenges

Volume 9 Number 3 (2013)

# Security Challenges

ISSN 1833 – 1459

## EDITORS:

Dr Andrew Carr  
*Managing Editors*  
editor@kokodafoundation.org

Dr Peter Dean

Dr Stephan Frühling

Robert Wylie  
*Consulting Editor Defence Industry Policy*  
r.wylie@adfa.edu.au

Geoff Hunt  
*Production Editor*  
wamboohunt@yahoo.com.au

## EDITORIAL BOARD:

*Robert Ayson*  
Victoria University  
Wellington, New Zealand

*Sam Bateman*  
University of Wollongong  
Wollongong, Australia

*Rod Lyon*  
ASPI  
Canberra, Australia

*Leszek Buszynski*  
Strategic and Defence  
Studies Centre, Australian  
National University

*Eliot Cohen*  
John Hopkins University,  
Washington, DC, USA

*Ralph Cossa*  
Pacific Forum CSIS  
Honolulu, Hawaii, USA

*Bates Gill*  
CEO, US Studies Institute,  
The University of Sydney

*Gerald Hensley*  
Former Secretary of Defence  
New Zealand

*Ramesh Thakur*  
Asia-Pacific College of  
Diplomacy, Australian  
National University

*Andrew Mack*  
Simon Fraser University  
Vancouver, Canada

*Rizal Sukma*  
Centre for Strategic and  
International Studies  
Jakarta, Indonesia

*Andrew O'Neill*  
Director, Griffith Asia Institute,  
Griffith University,  
Brisbane, Australia

*William Tow*  
Department of International  
Relations, Australian National  
University

*Akio Watanabe*  
Research Institute for Peace  
and Security  
Tokyo, Japan

Project Management and Cover: Qote Canberra (02) 6162 1258

Published and distributed by: The Kokoda Foundation

2/10 Kennedy St

(PO Box 4060), Kingston ACT 2604

T: (02) 6295 1555

E: manager@kokodafoundation.org

W: www.securitychallenges.org.au

F: (02) 6169 3019

© The Kokoda Foundation. All rights reserved. Apart from any fair dealing for the purposes of private study, research, criticism or review as permitted by the Copyright Act, no part of this publication may be reproduced, stored, transmitted or disseminated in any form or by any means without prior written permission. Inquiries should be made to the publisher.

All articles published in *Security Challenges* are fully peer-reviewed. Any opinions and views expressed are those of the authors, and do not necessarily reflect the opinion of the Kokoda Foundation or the editors of *Security Challenges*.

*Security Challenges* is indexed on EBSCOhost™ 

## COMMENT

<i>Andrew Butcher</i> Diplomacy by Default? New Zealand and Track II Diplomacy in Asia .....	1
-------------------------------------------------------------------------------------------------	---

## ARTICLES

<i>David Connery</i> Horizon Scanning: Enhancing Strategic Insight for National Security Policymaking Papers .....	11
--------------------------------------------------------------------------------------------------------------------------	----

<i>John Blaxland</i> Game-changer in the Pacific: Surprising Options Open Up with the New Multi-purpose Maritime Capability .....	31
-----------------------------------------------------------------------------------------------------------------------------------------	----

<i>Martin White</i> Linking National and Military Energy Security in Australia: A Legitimate Nexus, or Political and Economic Expediency? .....	43
-------------------------------------------------------------------------------------------------------------------------------------------------------	----

<i>Derek Woolner</i> Drowned by Politics: Australia's Challenges in Managing its Maritime Domain....	63
---------------------------------------------------------------------------------------------------------	----

## **Editors' Note**

This edition was prepared during the run up to the 2013 Australian Federal election. While most defence and foreign policy issues did not have a large role, one issue seemed to dominate, as it has for almost a decade. This is the non-traditional security challenge of irregular migration. Or in the popular discourse, 'asylum seekers', or simply even 'boat people'. In his featured article, Derek Woolner explores how politics has distorted Australia's management of its maritime domain and the resulting governance problems this obsession with one particular challenge has placed upon the ADF and Australia's wider security agencies.

This issue also features key pieces by John Blaxland on the potential 'game-changer' of the Landing Helicopter Docks (LHD's) as a means of Australia's regional engagement. David Connery explores the concept of Horizon scanning as a way to improve national security policymaking, and Martin White explores the issue of fuel security in Australia and the military energy security nexus. Finally, Andrew Butcher provides the view from across the Tasman, highlighting New Zealand's growing Track II diplomacy in Asia.

In a housekeeping note, the Editors are beginning to prepare our schedule of editions for 2014. We invite Australian and Asia-Pacific scholars and researchers to suggest both individual articles and special editions that may suit the journal and be of interest to our growing policy and academic readership.

*Andrew Carr*      *Peter Dean*      *Stephan Frühling*  
Managing Editors  
June 2013

## Diplomacy by Default? New Zealand and Track II Diplomacy in Asia

Andrew Butcher<sup>1</sup>

The term 'Track II diplomacy' was coined in 1982 to refer to the methods of diplomacy that were outside the formal government system, that is between non-governmental, informal and unofficial contacts, private citizens and other non-state actors. Specifically, Track II diplomacy may involve academics, journalists, and occasionally politicians, diplomats and military personnel acting in their "private capacity".<sup>2</sup> Track II diplomacy may also act as a source of advice to governments, be a laboratory to test ideas, provide an alternative diplomatic route when official routes become blocked or stalled, broker between governments and NGOs and academics, and provide a range of 'socialising' functions, where potential adversaries get to meet and know each other where otherwise they may not be able to.<sup>3</sup> Track I diplomacy, by contrast, "represents the official government channel for political and security dialogue in the region" and those who participate in it are officially representing their state.<sup>4</sup>

There is also Track 1.5 diplomacy, a term coined by Australian Paul Dibb, which can be non-official meetings attended by officials in their "private capacities" and which focus on specific issues of interest to Track I. In other words, both the content of the meeting and the background of the participants are closer to Track I than might be usually found in a strict understanding and practice of Track II diplomacy, at which no officials attend.<sup>5</sup> The distinction between Track 1.5 and Track II "may only be a question of emphasis"<sup>6</sup> but, nevertheless, resolves some definitional

---

<sup>1</sup> An earlier version of this comment was presented to Presentation to Political Science and International Relations programme seminar series, Victoria University of Wellington, 16 October 2012. I am grateful for the comments at the seminar and subsequently.

<sup>2</sup> D. Capie, 'When Does Track Two Matter? Structure, Agency and Asian Regionalism', *Review of International Political Economy*, vol. 17, no. 2 (2010), p. 294.

<sup>3</sup> B. Taylor, A. Milner and D. Ball, *Track 2 Diplomacy in Asia: Australian and New Zealand Engagement*, Canberra Papers on Strategy and Defence, No. 164 (Canberra: Strategic and Defence Studies Centre, The Australian National University, 2006), pp. 10-2.

<sup>4</sup> D. Capie and P. Evans, *The Asia Pacific Security Lexicon* (Singapore: Institute for Southeast Asian Studies, 2002), p. 209.

<sup>5</sup> *Ibid.*, p. 211.

<sup>6</sup> *Ibid.*, p. 212.

disputes around Track II<sup>7</sup> and brings together benefits of Track II (informality, ability to raise new issues) with the particular needs of Track I.<sup>8</sup>

Globally, there are tectonic shifts in the regional balance of power in broad terms from the North Atlantic to East Asia. In short-hand we may consider them in various descriptive (and somewhat simplistic) binaries such as the rise of China and the decline of the United States; the economic crisis in Europe and the United States and the economic growth in Asia. Or we might consider it via various crises: the South China Sea, the Korean peninsula, Sino-Japanese tensions.<sup>9</sup> Or we may list a litany of problems facing the world in the 21<sup>st</sup> century: resource scarcity, climate change and ecological damage, spread of dangerous weapons, crime, piracy, illegal immigration, mounting unemployment and the mismatch between financial and institutional integration and the liberalisation of markets.<sup>10</sup> However we may choose to divide up the Asian region and its issues, both the region and its issues are globally important.

Closer to home New Zealand also has its own tectonic shifts in the way its official diplomacy is resourced. As with much else of the public service in New Zealand and in other Western democracies, cost-cutting measures—cutting the cloth to fit economically strained times—have seen “efficiencies” made and, in the case of New Zealand’s foreign service, probably the most radical restructuring in its history.

### **“Modernising” New Zealand’s Foreign Service**

On 23 February 2012, New Zealand’s Secretary of Foreign Affairs John Allen proposed changes to the Ministry of Foreign Affairs and Trade (MFAT) that would likely amount to a 21 per cent reduction of total staff, both on-shore and off-shore, the outsourcing of a number of administrative operations and the establishment of a free-call 0800 number for global consular operations.<sup>11</sup> These changes, “modernising” New Zealand’s foreign

---

<sup>7</sup> D. Ball, A. Milner and B. Taylor, *Mapping Track 2 Institutions in New Zealand, Australia and the Asian Region* (Wellington, Asia New Zealand Foundation, 2005), p. 9.

<sup>8</sup> D. Capie, “A Glass Half Full? Track 2, Policy Networks and Socialization in East Asia”, paper presented at the 49<sup>th</sup> Annual Convention of the International Studies Association, San Francisco, California, 26-29 March 2008, p. 7.

<sup>9</sup> New Zealand Ministry of Defence, *Defence White Paper 2010* (Wellington: Ministry of Defence, 2010), <[www.defence.govt.nz/pdfs/defence-review-2009-defence-white-paper-final.pdf](http://www.defence.govt.nz/pdfs/defence-review-2009-defence-white-paper-final.pdf)> [Accessed 18 July 2013], p. 11.

<sup>10</sup> T. O’Brien, ‘Facing Harsh Truths and Finding a Way’, *New Zealand International Review*, vol. 37, no. 4 (2012), p. 12.

<sup>11</sup> R. Grant, ‘New Zealand Shrinks its Diplomatic Service’, *The Interpreter: The weblog of the Lowy Institute for International Policy*, 28 February 2012, <[www.lowyinterpreter.org/post/2012/02/28/New-Zealand-shrinks-its-diplomatic-service.aspx](http://www.lowyinterpreter.org/post/2012/02/28/New-Zealand-shrinks-its-diplomatic-service.aspx)> [Accessed 18 July 2013]; M. Williams, ‘Proposed Changes to MFAT’, 23 February 2012, <[www.scoop.co.nz/stories/HL1202/S00200/proposed-changes-to-mfat.htm](http://www.scoop.co.nz/stories/HL1202/S00200/proposed-changes-to-mfat.htm)> [Accessed 18 July 2013]; M. McCully, ‘Vision 2025: Delivering Foreign Policy in Challenging Times’, *New Zealand International Review*, vol. 36, no. 3 (2011), pp. 2-5.

ministry, have been controversial.<sup>12</sup> In the face of vocal opposition, both by diplomats and those outside the foreign service,<sup>13</sup> some of the more extensive proposed changes have since been wound-back. But there will not be a return to the days of when the then-Foreign Minister Winston Peters promoted a step-change (up) in the Ministry's resources, of \$500 million over five years,<sup>14</sup> which he announced just only a few months out from the 2008 General Election at which he and the Labour Party-led government were voted out of office. Nevertheless, for all its critics, the changes to MFAT are designed to "make [MFAT] more flexible and effective"<sup>15</sup> and to reform diplomatic careers so that those from outside the foreign service can more easily join the diplomatic corps and so that diplomats can more easily gain experience outside MFAT and then return. It is too early to say whether these aims have been met.

MFAT is not alone. In the context of reducing government expenditure and providing "better public services", several New Zealand government agencies have faced major expenditure cuts and restructuring. These "better public services" are explained as

increasing expectations for better public services in the context of prolonged financial constraints compounded by the global financial crisis ... The key to doing more with less lies in productivity, innovation, and increased agility to provide services. Agencies need to change, develop new business models, work more closely with others and harness new technologies in order to meet emerging challenges.<sup>16</sup>

To meet these expectations, the New Zealand Government has set a target of reducing net core Crown debt to no more than 20 per cent of GDP by

---

<sup>12</sup> J. Martin, 'Better Public Services: The Advisory Group Report', *Policy Quarterly*, vol. 8, no. 3 (2012), p. 31.

<sup>13</sup> T. O'Brien, 'Culture of MFAT under Threat', *The Dominion Post*, 2 April 2012, <[www.stuff.co.nz/dominion-post/comment/6676663/Culture-of-MFAT-under-threat](http://www.stuff.co.nz/dominion-post/comment/6676663/Culture-of-MFAT-under-threat)> [Accessed 18 July 2013]; R. Ayson, 'Our Diplomats Are Facing a Brave New World', *The Dominion Post*, 25 February 2012, <[www.stuff.co.nz/dominion-post/comment/6476199/Our-diplomats-are-facing-a-brave-new-world](http://www.stuff.co.nz/dominion-post/comment/6476199/Our-diplomats-are-facing-a-brave-new-world)> [Accessed 18 July 2013]; G. McGhie, 'A Simplistic Reduction of Mfat Will Solve Nothing', *The New Zealand Herald*, 10 April 2012, <[www.nzherald.co.nz/opinion/news/article.cfm?c\\_id=466&objectid=10797691](http://www.nzherald.co.nz/opinion/news/article.cfm?c_id=466&objectid=10797691)> [Accessed 18 July 2013]; P. Goff, 'Mfat Cuts Will Damage our International Reputation', Press statement, 2 May 2012, <[www.scoop.co.nz/stories/PA1205/S00045/mfat-cuts-will-damage-our-international-reputation.htm](http://www.scoop.co.nz/stories/PA1205/S00045/mfat-cuts-will-damage-our-international-reputation.htm)> [Accessed 18 July 2013]; V. Small, 'Ambassadors Told Not To Cable Cutback Criticisms', *Fairfax New Zealand*, 9 March 2012, <[www.stuff.co.nz/national/politics/6547231/Ambassadors-told-not-to-cable-cutback-criticisms-Goff](http://www.stuff.co.nz/national/politics/6547231/Ambassadors-told-not-to-cable-cutback-criticisms-Goff)> [Accessed 18 July 2013].

<sup>14</sup> Small, 'Ambassadors Told Not to Cable Back Criticisms'; McCully, 'Vision 2025'; Editorial, 'Changes for Mfat', *Waikato Times*, 14 January 2012, <[www.stuff.co.nz/waikato-times/opinion/editorials/6257278/Editorial-Changes-for-MFAT](http://www.stuff.co.nz/waikato-times/opinion/editorials/6257278/Editorial-Changes-for-MFAT)> [Accessed 18 July 2013].

<sup>15</sup> M. McCully, 'Foreword from our Minister', in Ministry of Foreign Affairs and Trade, *Statement of Intent, 2012-2015* (Wellington: Ministry of Foreign Affairs and Trade, 2012), p. 3.

<sup>16</sup> "Better public services" is the official name for the programme of activity led by New Zealand's lead state sector agency, the State Services Commission. See <[www.ssc.govt.nz/better-public-services](http://www.ssc.govt.nz/better-public-services)> [Accessed 24 July 2013].

2020/21,<sup>17</sup> and reducing core Crown expenses to below 31 per cent of GDP in 2014/15—down from 35 per cent of GDP just two years earlier—and to remain well under that level.<sup>18</sup>

## Diplomacy as Trade: “We Produce the Food They Want”

Part of delivering on these “better public services” is through a “joined-up” public service under the nomenclature “New Zealand Inc”. The New Zealand Prime Minister John Key said in his foreword in his government’s *Opening Doors to China* strategy document, published by New Zealand’s economic development agency NZTE, that:

The New Zealand Inc China strategy articulates the vision of a relationship with China that stimulates New Zealand’s *innovation, learning and economic growth*. It is for us to work together to turn that vision into a reality.<sup>19</sup>

New Zealand Secretary of Foreign Affairs John Allen has written:

Is it any wonder that New Zealanders have this sense that their future is assured and they can be confident of that future because we are close to Asia. Why? Because there are 3.5 billion people in Asia and they are all as hungry as hell and we produce the food they want.<sup>20</sup>

*Opening doors to China* is one of several “NZ Inc” strategies. Other strategies focus on India, China, the United States, Australia, ASEAN (Association of Southeast Asian Nations), the Gulf Cooperation Council and Europe. As described,

[t]he[se] strategies are plans of action for strengthening New Zealand’s economic, political and security relationships with key international partners ... The strategies are about growing our trade and investment relationships. The government also wants strong political relationships with these countries and regions, and to improve security, in the Asia Pacific and beyond ... An overarching objective for the NZ Inc strategies is to achieve better alignment and coordination among these agencies, so they are more effective and efficient, including in the support services they provide to business.<sup>21</sup>

These strategies involve a range of agencies, both in their writing and in their delivery. MFAT may be the lead agency but it is not the only agency

---

<sup>17</sup> B. English, Speech to the Trans-Tasman business council, 10 July 2013, <[www.beehive.govt.nz/speech/speech-trans-tasman-business-circle-3](http://www.beehive.govt.nz/speech/speech-trans-tasman-business-circle-3)> [Accessed 25 July 2013].

<sup>18</sup> B. English, Finance Minister: Budget speech, 16 May 2013, <[www.beehive.govt.nz/speech/finance-minister-budget-speech](http://www.beehive.govt.nz/speech/finance-minister-budget-speech)> [Accessed 24 July 2013].

<sup>19</sup> New Zealand Ministry of Foreign Affairs and Trade, *Opening Doors to China: New Zealand’s 2015 vision*, 2012, <[www.mfat.govt.nz/downloads/NZinc/NZInc-%20Strategy%20-%20China.pdf](http://www.mfat.govt.nz/downloads/NZinc/NZInc-%20Strategy%20-%20China.pdf)> [Accessed 18 July 2013], p. 2, my emphasis.

<sup>20</sup> J. Allen, ‘Engaging with the World’, *New Zealand International Review*, vol. 35, no. 6 (2010), p. 24

<sup>21</sup> ‘What are NZ Inc strategies?’, New Zealand Ministry of Foreign Affairs and Trade, <<http://www.mfat.govt.nz/NZ-Inc/1-About/index.php>> [Accessed 21 August 2013].



involved. In other words, diplomacy, is not just about what MFAT does. To deliver on these strategies, other agencies, government and non-government, as well as other publicly funded institutions such as universities, have to have an outward focus. Often, sometimes explicitly, that outward focus takes a mercantile form. Trade and diplomacy have often gone hand-in-hand: a strong export-led economy relies on a stable region through which trade passes.

The 2010 New Zealand *Defence White Paper* illustrates the diplomatic challenges:

[o]ur interests are best served by a region in which all countries and especially the major powers agree on the importance of stability and prosperity, and share a common understanding of how these goals should be secured ... We must be prepared to recognise and understand the interests and perspectives of partners and friends both old and new. We must be prepared to contribute to the protection and advancement of shared objectives. And we must do these things in ways which reflect the values and long-term interests of New Zealand.<sup>22</sup>

Regardless of how and where New Zealand's trade and diplomacy reflect its values and interests,<sup>23</sup> the various regional and global shifts seemingly happening at once gives pause for thought and raises a number of salient questions. Is New Zealand equipped to deal with the myriad of predictable and, more importantly, *unpredictable* events that these regional and global shifts will present? Is New Zealand able to navigate the difficult terrain of regional power shifts, large-scale and complex trade deals, and the increasing demands on its consular services by its citizens abroad?<sup>24</sup> Is New Zealand able to look beyond the goals of increasing trade with China, being elected to the United Nations Security Council, concluding the Trans Pacific Partnership and, indeed, the limits of its own short three-year electoral cycle, to consider the long-term implications of an Asia Pacific region in which both the United States and China are significant regional players?

These regional shifts in the Asia Pacific are going to become more, not less, difficult for New Zealand. They will require both New Zealand's attention and its response. The attention and response it gives to these various changes is not just the responsibility of New Zealand's foreign service. Officials

---

<sup>22</sup> New Zealand Ministry of Defence, *Defence White Paper*, p. 19.

<sup>23</sup> R. Ayson, 'Interests, Values and New Zealand's Engagement with Asia', Inaugural Professorial Lecture, Victoria University of Wellington, 19 July 2011.

<sup>24</sup> See: A. Oliver, 'MFAT Survives NZ Zero Budget', *Lowy Interpreter*, 29 May 2012, <[www.lowyinterpreter.org/post/2012/05/29/MFAT-survives-NZ-zero-budget.aspx](http://www.lowyinterpreter.org/post/2012/05/29/MFAT-survives-NZ-zero-budget.aspx)> [Accessed 18 July 2013]; A. Oliver, 'NZ Diplomacy: The Budget Buzz Cut', *The Lowy Interpreter*, 23 May 2013, <[www.lowyinterpreter.org/post/2013/05/23/NZ-diplomacy-The-budget-buzz-cut.aspx](http://www.lowyinterpreter.org/post/2013/05/23/NZ-diplomacy-The-budget-buzz-cut.aspx)> [Accessed 18 July 2013]; and, in the context of Australia [which has parallels to New Zealand in this case], see A. Oliver and A. Shearer, *Diplomatic Disrepair: Rebuilding Australia's International Policy Infrastructure* (Sydney: Lowy Institute for International Policy, 2011).

across government will be and are involved. But these officials are fewer in number than they were. If New Zealand economist Shamubeel Eaqub is right and New Zealand is facing seven years of economic famine,<sup>25</sup> then New Zealand is facing a future with a smaller public service.

### **Diplomacy by Default?**

This brings us back to the role of Track II diplomacy. We may want to consider Track II diplomacy as 'diplomacy by default'. Where fewer diplomats are available to give attention to a greater number of issues, visits and events, might Track II diplomacy be the place in which some of the long-term thinking and debate takes place? We may answer that question with a qualified yes. Yes, because arguably that is the role of Track II diplomacy anyway and *qualified* because there are officials who *do* give thought to identifying and addressing long-term trends. There is strategic, long-term thinking being developed by New Zealand's officials on many of the significant regional issues facing New Zealand. The 'yes' is also qualified because Track II diplomacy needs to be more than just diplomacy by default. If that is all it is then it would appear to have no inherent value. It would be at great risk of becoming both irrelevant and illegitimate if it relied wholly on "filling gaps", as there will be a time when those gaps may no longer exist and so have no need to be filled.

What, then, is Track II diplomacy good for? Is it second-rate diplomacy, which the designation of 'diplomacy by default' might suggest? Or is it worthwhile in its own right because it is distinct in important ways from official diplomacy? Track II diplomacy is distinct from Track I diplomacy in *form* certainly. It is characterised by dialogue rather than negotiation, informality instead of formality, a freedom to float trial balloons instead of being held to expressed views, and participation of academics, retired diplomats and journalists rather than officials.<sup>26</sup> But in substance? Many of the same topics are discussed at a Track I meeting, perhaps with firmer lines in the sand, perhaps with prejudice and greater force, but those things are a matter of tone. These differences, even if they are subtle, are nonetheless real. It may well be that the same topics are discussed at both, but that Track II offers a liberty to broadly discuss issues, without the constraints of being held to official lines, is an important feature.

Track II think-tanks in Asia are often founded, staffed or patronised by current or former officials or academics with close links to government.<sup>27</sup>

---

<sup>25</sup> New Zealand Institute for Economic Research, 'Seven Years Of Economic Famine—Quarterly predictions June 2012—media release', New Zealand Institute of Economic Research, 29 May 2012, <<http://nzier.org.nz/media/seven-years-of-economic-famine-quarterly-predictions-june-2012-media-release> 2012> [Accessed 18 July 2013]; Williams, 'Proposed Changes to MFAT'.

<sup>26</sup> Capie and Evans, *The Asia Pacific Security Lexicon*.

<sup>27</sup> *Ibid.*, pp. 303-5.

New Zealand's approach to Track II has generally been more ad hoc by comparison and rarely so closely entwined with Track I as in Asia. In much of Asia, Track II diplomacy is an important tool in diplomacy. Track II diplomacy in New Zealand has not had quite the same level of attention by officials. Dominated for a long time by key individuals, often academics and retired diplomats, who were also often well connected themselves to their counterparts in Asia, New Zealand's Track II presence in Asia was small but persistent. For a long period, from the 1980s through to the mid-2000s, this presence took the form of CSCAP (Council for Security Cooperation in the Asia Pacific) and PECC (Pacific Economic Cooperation Council) committee members, who were sometimes the same people.

Both CSCAP and PECC undertook predominantly multi-lateral Track II diplomacy; that remains the case. Increasingly, however, bilateral Track 1.5/Track II diplomacy has emerged as being significant. Most of these dialogues are led by the not-for-profit Asia New Zealand Foundation, an organisation established in 1994 to "promote New Zealanders' awareness and understanding of all things Asian".<sup>28</sup> The Foundation is New Zealand's lead Track II organisation, but there are other important institutions as well, including the Centre for Strategic Studies, the home of CSCAP New Zealand, based at Victoria University of Wellington, and the New Zealand Institute of International Affairs. New Zealand now has regular Track 1.5/Track II bilateral dialogues with Vietnam, China, Japan, South Korea, Taiwan, and Myanmar. But it has also expanded its multilateral dialogues to include ASEAN and Australia.

Both multilateral and bilateral Track 1.5/Track II dialogues have their place. In the case of the multilateral dialogue between ASEAN, Australia and New Zealand, which is hosted by the think-tank Malaysia ISIS, and is now in its sixth year, it gives Australia and New Zealand an opportunity to engage at a Track II level with both the full range of ASEAN countries and on topics that address issues pertaining to ASEAN as an institution. Bilateral Track 1.5/Track II dialogues, while often mirroring existing bilateral dialogues at officials' level, have the potential to explore ideas that may be of interest to officials but which they are not in a position to explore at Track I interactions. Beyond that, bilateral dialogues can also serve to tighten the web of networks between think tanks in Asia and beyond who are often looking at similar issues including New Zealand academics linking and collaborating with their Asian counterparts. Confidence-building, networking and collaboration may be intangible but they are nevertheless important.

---

<sup>28</sup> For more on its establishment, see E. Bohan, *Burdon: A Man of our Time* (Christchurch: Hazard Press, 2004), p. 196.

## The Challenges for Track II Participants

New Zealand holds Track 1.5/Track II dialogues with some of the top think-tanks in Asia and on a wide range of topics. Recent agenda have featured the United States rebalancing in Asia, the role of ASEAN, the South China Sea, the Korean peninsula, climate change, people movement, pandemics, and responding to natural hazards. Increasingly, so-called 'traditional' and 'non-traditional' security topics are merging. Once economic Track II and security Track II were treated differently, evidenced best in the distinction between ABAC (APEC Business Advisory Council), PECC (Pacific Economic Cooperation Council) and CSCAP (Council for Security Cooperation in the Asia Pacific).<sup>29</sup> The former are for economists, the last for international relations scholars. PECC had its Track I counterpart in APEC while CSCAP had its Track I counterpart in ARF (ASEAN Regional Forum). Underlining the links between Tracks I and II, Gary Hawke, a New Zealand economic historian and participant in both PECC and APEC, has suggested that PECC is more successful than CSCAP because APEC is more successful than ARF.<sup>30</sup> If there were ever a true delineation between 'economic' and 'security' Track II, it is less true now. The Trans Pacific Partnership, for example, while of great interest to economists, also has an important security dimension to it. Climate change is another issue which has important security implications to it, and requires the expertise of those who may be climate scientists as much as by those from economics or international relations backgrounds. Therefore, the pool of Track II practitioners has had to broaden.

Some potential Track II participants might be resistant to participating in Track II dialogues, for fear that they might be appropriated by officials, or silenced if their views are too contentious, or forced to lie for their country. But, on the last point, the late Michael Green, a former New Zealand diplomat, noted that

[f]or New Zealand, credibility and a reputation for constructive participation are priceless diplomatic assets. When lying abroad for our country, our diplomats know that honesty serves us better.<sup>31</sup>

If those things—appropriation, silencing or lying—happen then they demonstrate Track II diplomacy at its worst. A feature of Track II diplomacy is its independence. Not full independence, to be sure; perhaps, constrained

---

<sup>29</sup> For further discussion on PECC and CSCAP, see D. Ball, 'CSCAP's Foundations and Achievements', in D. Ball and C. G. Kwa (eds), *Assessing Track 2 Diplomacy in the Asia Pacific Region* (Singapore and Canberra: Strategic and Defence Studies Centre and S. Rajaratnam School of International Studies, 2010), p. 10.

<sup>30</sup> In Capie, 'When Does Track Two Matter?', p. 305.

<sup>31</sup> M. Green, 'Lying Abroad for One's Country', *New Zealand International Review*, vol. 33, no. 5, (Sept/Oct 2008), p. 18.

independence. Herman Kraft has referred to this as the “autonomy dilemma”.<sup>32</sup>

[t]he trends in the Asia Pacific, including Southeast Asia, indicate that Track 2 is moving towards greater alignment with governments and their agenda. In this context, how far can Track 2 maintain its autonomy and provide effective support to Track 1? If these trends continue, Track 2's role as a source of policy ideas will eventually diminish.<sup>33</sup>

In some countries “the demarcating line between Track I and Track II is often so blurred as to become almost indistinguishable”.<sup>34</sup> However, there should be daylight between Tracks I and II; Track II cannot be Track I by another name. Nevertheless, Track II diplomacy *is* constrained: it can roam wider than official meetings but not so wide that it ventures into the policy irrelevant or the academically obscure. Track II diplomacy, in order to be of best use to Track I officials, must attract and maintain the state's interest, support and involvement but it also, *simultaneously*, needs to maintain intellectual independence, objectivity, para-regional perspectives, unfettered thinking and simulating and imaginative research agendas.<sup>35</sup> That is a very fine line to walk. Track II's use is not exclusively for the benefit of officials, though that clearly is part of it. Track II dialogues can go further than Track I dialogues, in participants certainly and usually in content too. Track II can test ideas that in Track I might be construed as being fixed policy. Track II diplomacy can also bring academics and others into contact with peers from different parts of the world and across different academic disciplines. This cross-fertilisation can not only spark new ideas but can also lead to collaborative research, broaden views of individual academics, and bring together the combined value of robust academic enquiry with pragmatic policy decisions.

## Conclusion

New Zealand's foreign service might be shrinking but it is not disappearing. Thus, Track II diplomacy can never be ‘diplomacy by default’, because diplomacy, official diplomacy, will still exist and operate and do what it does. “Track 2 is not a substitute for Track 1 activities”, Herman Kraft has argued, “otherwise it loses the advantage of its non-official status”.<sup>36</sup> But Track II diplomacy will—or, at least, *should*—inform what people think and do at

---

<sup>32</sup> H. J. S. Kraft, ‘The Autonomy Dilemma of Track 2 Diplomacy in Southeast Asia (2000)’, in D. Ball and C. G. Kwa (eds), *Assessing Track 2 Diplomacy in the Asia Pacific Region* (Singapore and Canberra: Strategic and Defence Studies Centre and S. Rajaratnam School of International Studies, 2010), p. 176.

<sup>33</sup> *Ibid.*, p. 167.

<sup>34</sup> Taylor et al., *Track 2 Diplomacy in Asia*, p. 8.

<sup>35</sup> D. Ball and C. G. Kwa, ‘Conclusions: Assessing CSCAP and its Prospects’, in D. Ball and C. G. Kwa (eds), *Assessing Track 2 Diplomacy in the Asia Pacific Region* (Singapore and Canberra: Strategic and Defence Studies Centre and S. Rajaratnam School of International Studies, 2010), p. 255.

<sup>36</sup> Kraft, ‘The Autonomy Dilemma’, p. 170.

Track I level. Track I has to respect its Track II practitioners. Officials may not agree with them, and it is probably a good thing that disagreement exists, but there has to be two-way communication. If, as some may view, Track II diplomacy is seen as an old-boys club and not much else then it will not earn the respect or favour of its Track I masters or its Track II colleagues elsewhere.<sup>37</sup> But if it is seen, especially (but not only) as an important and necessary tool of diplomacy, because of what it delivers in both form *and* substance, then it will not so much be 'diplomacy by default' but, rather what we might call, borrowing from the lexicon of regional security architecture, 'diplomacy plus'.

*Andrew joined the Asia New Zealand Foundation in 2006 and directs the research and track II diplomacy programmes. In 2011, he was a visiting fellow at the Institute of Southeast Asian Studies in Singapore. He holds degrees in history and criminology from Victoria and a PhD in sociology from Massey University. Andrew is a member of the Royal Society of New Zealand and the International Institute for Strategic Studies and is the author of more than thirty articles, reports and book chapters. [AButcher@asianz.org.nz](mailto:AButcher@asianz.org.nz).*

---

<sup>37</sup> Ibid.

---

# Horizon Scanning: Enhancing Strategic Insight for National Security Policymaking

David Connery<sup>1</sup>

The Australian Government has stated an intention to develop a comprehensive Strategic Policy Framework (SPF) that coordinates and guides efforts and resource allocations across Australia's national security community. This article suggests that the Australian Government should add horizon scanning to its emerging SPF in order to provide decision makers with integrated information and analysis concerning trends that will affect the external environment and generate new internal organisational needs. Morphological analysis is used to present two options for the proposed horizon planning system.

The Australian Government has undertaken a number of concrete initiatives to enhance national security policy coordination since 2008. Some have been implemented as of the date of writing, such as the 'All Hazards National Assessment' on Australia's near-term security challenges, the coordinated national security budget,<sup>2</sup> the national security capability plan, and the first national security strategy.<sup>3</sup> Together, these new approaches to planning and resource prioritisation will make important contributions towards establishing a comprehensive framework for national security policymaking in Australia.

This article proposes horizon scanning as an additional analytic method that is arguably essential to future-oriented thinking about Australia's national security challenges. After first reviewing publicly-available information about the evolving Strategic Policy Framework (SPF, 'the framework'), this article examines horizon scanning as a potential method that could play an important role in that framework. After discussing the meaning of horizon scanning and its value proposition, the article will provide a short analysis of how horizon scanning has fared—institutionally—in the United Kingdom. From there, the article will identify different elements of a horizon scanning system and use a morphological analysis to develop system options to suit

---

<sup>1</sup> This article was developed while the author was on the staff of the ANU's National Security College. Thanks are extended to Dr Chris Roberts, Ms Kristina Tan, Dr Andrew Watt and some expert reviewers for their help with this article.

<sup>2</sup> A. Gyngell, 'National Security Lecture—The University of Canberra, 28 May 2010', <<http://www.ona.gov.au>> [Accessed 1 July 2012], pp. 8-9.

<sup>3</sup> Attorney General's Department, *A Guide to Australia's National Security Capability* (Canberra: Commonwealth of Australia, 2013), p. 3; Department of the Prime Minister and Cabinet, *Strong and Secure: A Strategy for Australia's National Security* (Canberra: Commonwealth of Australia, 2013).

Australian conditions. While the main sources for this article are Australian and international literature and practical experience in horizon scanning, the findings are informed by roundtables with horizon scanning experts from the Australian Government and discussions with members of the Australasian Joint Agencies Scanning Network.<sup>4</sup>

Australia's national security community should develop a horizon scanning system that compliments the prospective SPF. To support this proposal, this article derives design options for a horizon scanning system and recommends options for conducting a scan focused on national security. Since the SPF is still evolving, the method used in this article will allow readers to consider new options as other elements of the framework become known, and as the preferences of senior decisionmakers become clearer.

## **The Evolving Strategic Policy Framework**

The first National Security Statement of December 2008 announced a number of important changes to the structure and processes of national security policymaking, one of which was a Strategic Policy Framework (SPF). This framework was intended to "guide and coordinate effort across the national security community by setting priorities, allocating resources and evaluating performance".<sup>5</sup> The aim was to set national security priorities in an "informed, accountable, and whole-of-government manner",<sup>6</sup> and would include periodic Prime Ministerial statements, centralised priority setting, a coordinated budget process and an evaluation mechanism.<sup>7</sup> The government's intention was clearly to introduce some of the planning processes used in other contexts, such as defence, into a broader national security context. In doing so, a number of complex challenges have been highlighted that make a future-oriented posture for national security planning essential.

The complete structure of the SPF has not been made public at the time of writing, but elements of it have been described or can be safely assumed. Those already described or announced elsewhere include an annual All-Hazards National Assessment, which examines changes in Australia's

---

<sup>4</sup> The author thanks the participants of these roundtables for their insights and helpful advice, especially Brett Pepler and Kate Delaney. For more on the Australasian Joint Agencies Scanning Network, see <<http://www.ajasn.com.au>>.

<sup>5</sup> K. Rudd MP, *The First National Security Statement to the Australian Parliament* (Canberra: Commonwealth of Australia, 2008), p. 35.

<sup>6</sup> Ibid, p. 36.

<sup>7</sup> Anon., 'Australia's National Security Framework', <<http://www.ona.gov.au>> [Accessed 1 July 2012], p. 3. See also Australian National Audit Office, *Management of the Implementation of New Policy Initiatives: Australian Federal Police* (Canberra: ANAO Report No 29 201-11, 2011), Appendix 5.



security environment over the following three to five years.<sup>8</sup> This national assessment, which is coordinated by the Office of National Assessments (ONA), is developed to inform draft national security priorities and national intelligence priorities for consideration by Cabinet.<sup>9</sup> This is highly relevant work because judgements about political change, economic fortunes and threat intentions are needed to inform near-term decisions. However, the three to five year timeframe is relatively short when one considers the needs of long-range planning and—as discussed below—capability development.

Within the SPF, the All-Hazards National Assessment would be complemented by periodic performance evaluations of all national security agencies.<sup>10</sup> These evaluations would, in turn, inform the Coordinated National Security Budget (CNSB). This budget submission has now been through four iterations and has been used to complement individual portfolio budget submissions. Perhaps most importantly, the CNSB has been used to provide an overview of proposed “spends and saves”; to group proposals according to a broad set of priorities; and to provide some advice on the relative importance of each.<sup>11</sup>

The leading document of the SPF, Australia’s first National Security Strategy, was launched in January 2013. The Strategy takes a risk-based approach to identifying the major security challenges that Australia is likely to face in the immediate future, and offers three five-year priorities for the national security community. While this strategy adopts a remarkably short-timeframe for its analysis, it provides a lead to both immediate activity and a basis for future work.

Another initiative supporting the strategy is the classified National Security Capability Plan and an unclassified *Guide to Australia’s National Security Capability* (‘the Guide’).<sup>12</sup> According to the Guide, the capability plan will identify current and emerging gaps in non-Defence equipment, training and support (grouped as ‘capability’), while simultaneously gaining a clearer picture of what resources are available to achieve Australia’s national security outcomes. This plan will also ensure that capability investment is “focussed”, provide a way to redirect existing capabilities as emerging needs are identified, and identify interdependencies among departments and agencies. The “capability-based planning” method adopted aims to inform

---

<sup>8</sup> Gyngell, ‘National Security Lecture’, p. 8.

<sup>9</sup> *Ibid.*, p. 8.

<sup>10</sup> Rudd, *The First National Security Statement to the Australian Parliament*, p. 36; Anon., ‘Australia’s National Security Framework’, p. 3.

<sup>11</sup> Australian Government, ‘Budget Paper No. 1, Statement 1: Budget Overview’, <<http://www.budget.gov.au/2010-11/>> [Accessed 1 July 2012]; Gyngell, ‘National Security Lecture’, pp. 8-9. On the role of the CNSB, see M. McCarthy, *National Security: Past Present and Future* (Canberra: Department of the Prime Minister and Cabinet/National Security College, 2012), <<http://www.dpmc.gov.au>> [Accessed 12 July 2012], pp. 11-2.

<sup>12</sup> Attorney-General’s Department, *Guide to Australia’s National Security Capability*, p. 3.

the next national security strategy, particularly by providing evidence about the capabilities available (and perhaps, needed) to manage national security risks.<sup>13</sup>

Importantly, horizon scanning is listed in the Guide as a national security function. It aims to reduce uncertainty for decisionmakers by “providing coordinated and analytical scientific and technological support around current and future trends”.<sup>14</sup> Such information is considered valuable because it can support capability development, consequence assessment and options development.

However, neither the National Security Strategy nor the Guide describe how horizon scanning will be conducted within the Australian Government. Nor is it entirely clear how the products of the sixteen departments and agencies involved in ‘horizon scanning and risk assessment’ are integrated and assessed to produce the desired inputs for guidance.<sup>15</sup> This article will provide suggestions for how this might be done in the Australian context after the purpose of horizon scanning, and some international experience, is discussed.

### **“A Thin Wisp of Tomorrow”**

The human desire for certainty, said Lord Hennessy, means governments place great importance in feeling for the “thin wisp of tomorrow”.<sup>16</sup> Lord Hennessey goes on to identify past actions taken in the British defence community to help gain these insights, and concludes his speech by asserting a duty of governments to try to identify trends and what they might mean. This is reasonable, and horizon scanning was one method he recommended for this purpose.<sup>17</sup> However, before we react to his exhortation, it is worth describing what horizon scanning is and is not, identifying its value proposition and success criteria, and describing the challenges of employing it to assist decisionmakers. This brief analysis will show that many choices need to be considered before horizon scanning is implemented on a significant scale in any government.

The method described as horizon scanning is a deliberate or purposeful strategic planning activity where emerging changes and developments are analysed to identify events, trends and drivers (collectively, ‘factors’) that may shape an organisation’s future operating environment and so its policy,

---

<sup>13</sup> Ibid., p. 11.

<sup>14</sup> Ibid., p. 11.

<sup>15</sup> Ibid., p. 14.

<sup>16</sup> Lord Hennessy of Nympsfield, *The Horizon Scanners’ Craft* (London: Chatham House, 2011), p. 2. He credits F. Braudel for this description.

<sup>17</sup> Ibid., p. 11.

research and strategic agendas.<sup>18</sup> As such, horizon scanning is often a directed activity that seeks and analyses information concerning priority questions facing senior leaders about their external operating environment.<sup>19</sup> These parameters mean that horizon scanning is best used as part of an ongoing strategic planning process, or as a way to obtain insights into plausible factors that might influence decisions with long-term consequences. It is not, however, the only input to decisionmaking and, as later sections of this article will discuss, its utility and product needs to be appraised with a cold eye.<sup>20</sup>

Horizon scans seek to exploit the broadest range of information sources and perspectives available (within resources, of course) to search for 'weak signals' that provide early indicators of future trends. In the context of national security policymaking, one key information input concerns developments relating potential adversaries and allies—which in the government context is usually derived from the work of intelligence agencies. But what makes horizon scanning more than just an intelligence activity is that scanners must consider trends that are likely to influence the internal workings of the organisation. To provide these insights, information sources should extend to areas such as changes in one's own society and its expectations of government, known or emerging shortfalls in capability, emerging trends in areas such as management and information, and potential technologies that might influence capability development. From there, solid reasoning and argument brings this information together to identify possible matters of importance to the commissioning organisation.

---

<sup>18</sup> For samples of the wide variety of definitions of horizon scanning see W. L. Shultz, 'The Cultural Contradictions of Managing Change: Using Horizon Scanning in an Evidence-based Policy Context', *Foresight*, vol. 8, no. 4 (2006); V. van Rij, 'Joint Horizon Scanning: Identifying Common Strategic Choices and Questions for Knowledge', *Science and Public Policy*, vol. 37, no. 1 (2010), pp. 7-18; and R. Popper, 'New Horizon Scanning Concepts, Practices and Systems', in *2<sup>nd</sup> DSTL Scanning Conference* (Shrivenham UK: UK Ministry of Defence, 2011), slide 6. Chun Wei Choo identified other modes of horizon scanning, including those with less formality or structure than the method defined in this article envisages ('The Art of Scanning the Environment', *Bulletin of the American Society for Information Science* (Feb/Mar 1999), pp. 22-3).

<sup>19</sup> B. Habegger, *Horizon Scanning in Government: Concept, Country Experiences, and Models for Switzerland* (Zurich: Centre for Security Studies, 2009), pp. 8-12. Decision-makers might also look to use horizon scanning to help form questions.

<sup>20</sup> A discussion of horizon scanning methodology would require a lengthy article in itself. For good general overviews of different insights into methodology, see B. Ramalingam and H. Jones, 'Strategic Futures Planning: A Guide for Public Sector Organisations', (Overseas Development Institute) <<http://www.odi.org.uk>> [Accessed 12 July 2012], p. 33; Michael Jackson, 'Practical Foresight Guide Chapter 4 – Scanning' (Shaping Tomorrow, 2011), <<http://www.shapingtomorrow.com>> [Accessed 12 December 2012]; Habegger, *Horizon Scanning in Government*; O. Da Costa, P. Warnke, C. Caglin, and F. Scapolo, *The Impact of Foresight on Policy-Making: Insights from the Forlearn Mutual Learning Process* (Sevilla: Institute for Prospective Technological Studies, 2006); and Chun Wei Choo 'The Art of Scanning the Environment'.

The way these insights are used within an organisation can vary. For some, scanning products will promote conversations about the future and help to focus senior decisionmakers on emerging challenges.<sup>21</sup> This differs from other 'futurist' methods such as scenario planning, in that horizon scanning does not aim to create internally consistent 'stories' about possible futures.<sup>22</sup> Instead, horizon scanning generally produces analytical reports that identify and critically examine threats and opportunities in a business, research or policy-related context. Further use can be made of this product however, and some describe the value of horizon scanning in terms of communication: internally to engage all levels of the organisation in thinking about the organisation's future; and to communicate with external audiences in ways that build collaborative links or awareness.<sup>23</sup> In the last form, communication is about shaping expectations and preparing an agenda.

These 'hard' uses are clearly designed to position an organisation for the future, but they are not the only possible ones. Other authors have pointed to the use of horizon scanning as a tool to build strategic thinking capability in an organisation; as a way to build networks; as an agent for change; and for mutual learning.<sup>24</sup> These 'softer' uses appear to address some other priority needs for the Australian Public Service (APS), particularly as the recent 'blueprint for reform' described a perceived lack of strategy and innovation across the APS.<sup>25</sup>

Despite its potential, horizon scanning has limitations. For one, it is an inexact art: the result depends upon the skill and creativity of those involved, and the willingness of senior leaders to use the product. The vast amount of available information can make review, analysis and retrieval of relevant information a daunting task. This factor makes an agreed method and technological support essential for the project, and can make horizon scanning a resource-intensive activity unless it is well-focused and

---

<sup>21</sup> See K. Van Der Heijden, *Scenarios: The Art of Strategic Conversation*, 2nd ed. (Chichester UK: John Wiley and Sons, 2005); and M. Butter et al., *Scanning for Early Recognition of Emerging Issues; Dealing with the Unexpected* (SESTI, 2010), p. 5.

<sup>22</sup> The basic primer for this methodological approach was P. Schwartz, *The Art of the Long View* (New York: Currency Doubleday, 1996). M. Amer, T. U. Daim and A. Jetter, 'A review of scenario planning', *Futures*, vol. 46 (2013), pp. 23-40 provide a recent overview of scenario planning methods. For a recent Australian attempt to harness this methodology, see Athol Yates (ed.), *Australia's Security Nightmares* (Australian Security Research Centre, 2012).

<sup>23</sup> Butter et al., *Scanning for Early Recognition of Emerging Issues*; A. Havas, D. Schartinger, M. Weber, 'The Impact of Foresight on Innovation Policy-making: Recent Experiences and Future Perspectives', *Research Evaluation*, vol. 19, no. 2 (2010), pp. 101-2; K. Gustafson, 'Strategic Horizons: Futures Forecasting and the British Intelligence Community', *Intelligence and National Security*, vol. 25, no. 5 (2010), p. 602.

<sup>24</sup> Habegger, *Horizon Scanning in Government*, p. 9; Schultz, 'The Cultural Contradictions of Managing Change', p. 5.

<sup>25</sup> Advisory Group on Reform of Australian Government Administration, *Ahead of the Game: Blueprint for the Reform of Australian Government Administration* (Canberra: Commonwealth of Australia, 2010), p. 41.

supported.<sup>26</sup> The rapid pace of change in some areas, especially technology, makes any scan 'perishable'. Lastly, horizon scanning also relies heavily on participants identifying the linkages between events and envisaging the implications of change for the organisation. As a consequence, it can be easy to claim too much for horizon scanning, and it is essential to establish some criteria for success.<sup>27</sup>

Some possible criteria are straightforward. The scan must meet a need—ideally, one identified and valued by senior leadership. The scan itself must be responsive to the client, which entails being aware of how their needs will change over time, and making changes to products or focus as the emerging situation dictates. The involvement of appropriate stakeholders in the process in some way (possibly as full participants, but perhaps in a review, debate or analysis function) is another criterion which will likely help to build broad support for the final product. Most of these criteria are relatively tangible and can be measured, but they only fill part of the bill.

Any scanning effort will also rely upon less tangible or elusive success criteria that will probably be hard to create or estimate in advance. Among these will be the relative and intangible criterion best described as 'senior leader satisfaction': a criterion that often relies on the subjective judgment of those being supported by the scan. Closely tied to this, the scan must produce insights considered plausible by users. Also important, but awkward to measure, is 'influence'. Ideally, one would like to be able to illustrate how a well-timed scanning product shifted the debate or unearthed a previously unseen opportunity. But attributing influence to a scan is difficult when 'good ideas have many parents', and claiming success in ambiguous situations could lead to resentment. Even more difficult to achieve is what futurist Richard Slaughter described as a "legitimising process". Indeed, he argued that the absence of legitimisation undermined a well-resourced futures analysis effort, known as the Australian Commission for the Future.<sup>28</sup> Others have pointed to the importance of "favourable political circumstances", meaning that scans with influential supporters have at least some chance of success.<sup>29</sup> Given the intangible nature of these success factors, and the naturally sceptical disposition of most (Australian) decisionmakers, it is worth articulating the value proposition for horizon scanning.

---

<sup>26</sup> In terms of support, information technology is especially important to reducing search effort and matching new information to users.

<sup>27</sup> For instance, Da Costa and others think horizon scanning can perform roles across the policymaking system, including deep roles in implementation (Da Costa et al., *The Impact of Foresight on Policy-Making*, pp. 372-6).

<sup>28</sup> R. A. Slaughter, 'Lessons from the Australian Commission for the Future: 1986-98', *Futures*, vol. 31, no. 1 (1999), pp. 93-4.

<sup>29</sup> J. Calof and J. Smith, 'Critical Success Factors For Government Led Foresight', Third International Seville Seminar on Future-Oriented Technology Analysis, Seville, 16-17 October 2008, p. 7. The authors also place a significant emphasis on early success to promote the process.

The value of horizon scanning can be expressed in two ways. The first is a general proposition, which claims that the long-view nature of horizon scanning will help leaders to become less reactive. A well-conducted scan will achieve this because there is latitude for scanners to explore so-called weak signals and develop narratives about long-term trends. Since this search does not merely concern threats, horizon scanning can illuminate possible opportunities, be they in the form of new technology or even changing attitudes. Perhaps the most valuable aspect of this proposition for time-poor senior leaders is how high-quality scanning product provides space, structure and distilled information to discuss the organisation's future and its priority challenges. As others, such as Ross Babbage of the Kokoda Foundation and the authors of the APS Reform Blueprint have noted, time to consider longer term matters is often in short supply in increasingly crowded decision agendas.<sup>30</sup>

A second, more specific element of the value proposition for horizon scanning for Australia's emerging SPF derives from its product. Done well, horizon scanning should illuminate broad trends, weak signals and possible events beyond the three-to-five year view of the current All Hazards National Assessment. This could allow those using the horizon scan product—especially those responsible for investment decisions and priority setting—to identify challenges to the organisation well before the trends become time-critical crises.

Before continuing with the case for a horizon scanning capability in Australia, it is worth considering how this function emerged and evolved in the United Kingdom (UK). Here, horizon scanning has been employed by many policy and intelligence agencies for nearly two decades, and many departments have formal scanning units. These include specialised scanning units for science and technology, environment and food, defence, international development, and health; and a centre with responsibility for horizon scanning methodology.<sup>31</sup> These units appear well established, but of most interesting for this study are the two attempts made to impart centralised direction into horizon scanning by creating units within the Cabinet Office itself.

The first was Horizon Scanning Unit, which was established in 2008. This unit aimed to coordinate scans by others and produce its own reports to inform decisionmaking. According to one senior official with knowledge of this case, this meant the unit's role was unclear and its work seen to duplicate others'. Consequently, the unit failed to get widespread support in Whitehall and, as austerity budgets hit the UK after 2008, its resources

---

<sup>30</sup> R. Babbage, *Strategic Decision Making: Optimising Australia's National Security Planning and Coordination for 2015* (Canberra: Kokoda Foundation, 2008), pp. 6-9; Advisory Group on Reform of Australian Government Administration, *Ahead of the Game*, p. 21.

<sup>31</sup> See Department for Business, Innovation & Skills, 'Foresight', <<http://www.bis.gov.uk/foresight>> [Accessed 15 December 2012].

shrank until it disappeared within the Civil Contingencies Secretariat a few years later. A parallel effort in the national security field was established to inform the risk assessment for the 2009 National Security Strategy and 2010 Strategic and Defence and Security Review. Despite some success with these projects, this effort failed to thrive because it adopted a complex and insufficiently robust method, and the initial product was rushed and poorly received. While undoubtedly disappointing, these experiences did not kill horizon scanning in the UK. Instead, a new secretariat with the sole aim of coordinating government scans for a senior officials board will be instituted at the direction of the Cabinet Secretary. While this new effort is still being established, its clearer focus, senior support and solid base of infrastructure give some cause for optimism in the future of this method in the UK.<sup>32</sup>

Based on the gap in the long-range analysis used for the SPF, the value propositions, and some lessons from the UK's experience, it is clearly worth considering a method for providing long-range analysis for the framework. Horizon scanning is a potentially useful method because it can provide decision makers with targeted advice about—and a chance to consider—trends and drivers that will likely shape the organisation's future. Given the nature of the SPF, such advice would need to be developed and presented as part of a process that is led, resourced, conducted and analysed within government, probably with some involvement from experts outside the official community. But there are many, many ways that such a process and its products could be designed and packaged as discrete options for a suitable system.

Efforts to visualise and explain the options for a horizon scanning system can be helped by using a method which presents elements of a problem comprehensively, describes options clearly, and remains flexible enough to cope with change. The next part of this article applies morphological analysis to articulate some broad options for a horizon scanning system that can support the Australian Government's SPF.

## **Options for a Horizon Scanning System**

Faced with the challenge of designing a new rocket, Swiss astronomer Fritz Zwicky broke the known system down into parameters (component parts) and the differing values for these parameters (conditions), and presented these as a comprehensive matrix. The matrix was then used to investigate the relationships created when the values of each parameter are combined into a prospective system. The result was a range of internally consistent

---

<sup>32</sup> Interview with senior UK official with knowledge of horizon scanning.

options that could be employed to satisfy the problem at hand. This method became known as (General) Morphological Analysis.<sup>33</sup>

In this article, morphological analysis will be employed to identify options for the potential ways to design a horizon scanning effort for the SPF. The parameters for this particular horizon scanning system have been selected after a literature review and discussions with expert roundtables, and grouped following the architectural axiom 'form follows function'. The aim is to identify the key parameters of form and function that decisionmakers will need to consider as they review any proposal for a horizon scanning system. A number of different choices for values within each parameter have been identified in an effort to provide a comprehensive coverage of the way each parameter could be performed within this system. The result of this exercise is shown in Table 1. Since there are just over two million possible combinations in this table, the next process involves identifying and discarding inconsistent value combinations to produce a smaller—but admittedly still very large—number of potential options for a candidate system.

The matrix begins by identifying the function variables, which describe the purpose and expected outcomes of the scanning effort, and placing these across the top row. The key variable, and indeed the key decision, is the first: whether the scan is based on a broader government effort or whether it will be a stand-alone effort focused on national security. There are significant advantages for both, and neither assumes that the eventual scanning product will be open source or classified. Indeed, as will be described later, the main advantage of nesting the scan in a broader whole-of-government effort is the breadth of expertise and literature that could be covered. This might also constitute an economical measure, as the overhead costs are shared among many. Still, the scan will need to create product relevant to the concerns of senior national security officials: a broader effort might compromise that focus if the responsible team is not careful. The broader effort might also make it more difficult to use classified inputs to the scan, which might be seen as highly detrimental to the intended outcome.

---

<sup>33</sup> T. Ritchley, 'General Morphological Analysis: A General Method for Non-quantified Modelling', Swedish Morphological Society, <<http://www.swemorph.com/ma.html>> [Accessed 2 July 2012], pp. 2-7.



**Table 1: Crafting Options: Elements of a Horizon Scanning (HS) System**

		Choices for Parameter Values				
<b>HS System Function Parameters</b>	<b>Purpose</b>	Scan for all national policy fields	Single-purpose scan for all national security fields	HS specific to national security strategy framework		
	<b>General method</b>	Active	Passive			
	<b>Reporting frequency</b>	Bi-yearly major report	Yearly report with additional short reports	Frequent short reports	Major report timed to meet needs	One-off effort
	<b>Sponsor</b>	Ministerial	Secretary-level	Deputy Secretary-level	Below Deputy Secretary	Board including non-government members
	<b>Release policy</b>	All reports released publicly	Selected (declassified?) reports made public	Reports released only to a closed network	All product classified	
<b>HS System Form Parameters</b>	<b>Type of product</b>	Synthesised scan reports for the entire area of concern	Multi-subject reports (combine two or more topic areas)	Single-topic reports (usually on a specific but small area of interest)		
	<b>Scanning participants</b>	Intelligence only	All government only	Government and non-government participants		
	<b>Team structure</b>	'Centre of Excellence'	Dedicated team	Coordinating core	Individual coordinator	Virtual team (network)
	<b>Outreach</b>	Public conference	Closed network conference and seminars	Classified conference and seminars	No conference or seminars	Briefings for key meetings
	<b>Aftercare</b>	Dedicated team	Follow-up by individuals	Nil	Pull by users	

As the earlier discussion explained, support for a horizon scan, including resource commitments and direction, needs to come from an appropriate managerial level. In this instance, there are numerous plausible options for a sponsor or commissioning authority ranging from ministers, through to senior officials, or a mixed board of official and invited external members. This authority will become the focus of the scan output: their questions and priorities will guide the work and be the principal measure for determining the scan's success or otherwise.

The type of product and release policy refines the purpose further by providing guidance on the expected presentation of scan reports. It is important for this detail to be decided early because scanning organisations

with significant contributions from non-national security agencies might find it difficult to manage a classified scan.

The 'function' of the horizon scanning system influences the choice of variables that define the 'form' of the organisation tasked with the scan. The form variables include the hosting responsibility, which will have an important impact upon how the scan might be undertaken and candidates who could participate. Following this, the next variables include the team structure and who will actually participate in the team. The last variables considered are outreach and 'aftercare', which includes follow-up activities such as presentations and written explanations of the findings, and preparations for the next product. These last variables will have implications for participation, resourcing and communication.

The parameter values chosen for Table 1 have been selected with the aim of producing a scan suitable for informing national security policy officials. This means some possible values can be omitted, such as a scan conducted wholly outside government. A few others are worth listing but need not be considered further because it is possible to make some assumptions about the type of system that government would *not* want for this scan. The first to be discarded is a passive option for conducting the scan, which reflects an assumption about government preferences for organisation and accountable outcomes.<sup>34</sup> A 'Centre of Excellence' model is also discarded due to the Australian Government's current fiscal constraints and the need to identify (always unpopular) spending reductions to compensate for new proposals.<sup>35</sup> A scanning group involving 'intelligence only' participants is also discarded because broader participation will be essential to ensure organisational and capability development expertise is available for the scan. These few omissions have reduced the number of possible options by three-quarters from the original number of possible groupings: still an impractical number to describe in detail, but a good indication of the broad nature of the horizon scanning task and the ways in which it could be approached.

With this breadth in mind, two possible options will be sketched below. Each option aims to be internally consistent and to provide a genuinely different approach. While only one value has been selected for each parameter in most cases, a second value is sometimes used to show the subtle distinctions that could be made when assembling viable options. Some additional decisions that need to be made about the scanning system will also be presented after each option is explained.

---

<sup>34</sup> The active/passive distinction drawn in this article may indeed be too stark, especially where technology can enable better searching and data matching (discussion with Brett Pepler).

<sup>35</sup> Habegger, *Horizon Scanning in Government*, p. 17-20 describes an initiative such as this by the Singaporean Government.

**OPTION 1: PLUG-IN AND COLLABORATE**

The concept for Option 1 is an active whole-of-government scanning effort that satisfies a number of policy areas, with national security being only one. As this is a government-wide effort, and potentially not only limited to the Commonwealth, the assumed size of the resources available and the numbers of team participants that could be mustered in support are considerable. While the decentralised application of resources means Option 1 falls short of a ‘centre of excellence’ model, an effort of this size and expertise would probably produce at least a major multi-field report and additional short reports on topics of interest to the steering board. Alternatively, this scan could produce more frequent reports to satisfy a broader range of priority subjects.

**Table 2: Option 1—Plug-in and Collaborate**

		Parameter Values (with Logical Alternatives)		
HS System Function Parameters	<b>Purpose</b>	Scan for all national policy fields		
	<b>General method</b>	Active		
	<b>Reporting frequency</b>	Yearly report with additional short reports	Frequent short reports	
	<b>Sponsor</b>	Secretary-level	Deputy Secretary-level	Board including non-government members
	<b>Release policy</b>	Reports released only to a closed network		
	<b>Type of product</b>	Synthesised scan reports for the entire area of concern	Multi-subject reports (combine two or more topic areas)	
HS System Form Parameters	<b>Hosting Responsibility</b>	Central agency	Joint venture: government and other	
	<b>Scanning participants</b>	Government and non-government participants		
	<b>Team structure</b>	Dedicated team		
	<b>Outreach</b>	Closed network conference and seminars	Briefings for key meetings	
	<b>Aftercare</b>	Small core	Individual coordinator	

The large number of stakeholders means this type of scan should be managed from very senior levels. While ministerial-level involvement was considered an impediment in one review because political alignment compromised the credibility of the scan,<sup>36</sup> there is no credible benefit to be gained from circumventing ministerial knowledge for an effort involving significant resources. Still, ministerial steering is another matter. In this

<sup>36</sup> Slaughter, ‘Lessons from the Australian Commission for the Future’, p. 3.

option a steering board at the Departmental Secretary/Deputy Secretary level is envisaged because these officials control the necessary resources and understand ministerial priorities. Non-government officials could also be invited to join this board, which should bring broader perspectives to the task.

With non-government involvement at the steering—and probably participation—levels, the scan should be conducted in an ‘open’ style so that security classifications are not a factor, unless this was desired in final product. Ways to achieve this style might include forming a ‘joint venture’ hosting arrangement, perhaps in a university; and sharing some, if not most, product with academia and industry. This option does not preclude additional classified analysis conducted solely within government for the specific purpose of informing the SPF or the like, although such product is likely to come late in the process and bring an additional cost overhead.

The broad nature of such a scan lends itself to being hosted by a central agency to ensure that the whole-of-government perspective is met. However, the joint venture model is another way to achieve this, as any venture could be specifically established to fulfil that mandate. In the Australian context, the Australian National Institute for Public Policy (ANIPP) at the Australian National University might be a sound joint venture partner, or the informal Australasian Joint Agencies Scanning Network (AJASN) might be augmented to enhance its ability to coordinate this large activity.

Significant outreach and aftercare is envisaged for this option. This could include conferences or working groups to develop product, and publicly released analysis to inform and advise. In time, the scan might be seen as a public good that would inform other sectors of the community. The scan products could also provide a valuable contribution to, and so entree to, international scanning efforts.<sup>37</sup>

The participants suggested for this option include government and non-government experts based on a dedicated team. This model is considered to be the most appropriate way to harness national and international talent, and to ensure that the best possible sources of information and expertise are available to the scanning team. The team itself would be relatively small but large enough to create products: perhaps six to ten people, depending on the resources available across government and the desired frequency of products. The team would also coordinate input from the scanning network’s member agencies and be ultimately responsible for meeting the steering board’s priorities.

---

<sup>37</sup> van Rij explains the utility of international cooperation “lies in the expectation that the sum of the scans may reveal issues” which have been overlooked in individual scans (van Rij, ‘Joint Horizon Scanning’, p. 9).

The key advantages of Option 1 include its ability to co-opt and consult leading thinkers regarding emerging trends, which is likely to make available the widest possible array of data and analysis. This option also spreads costs over many participants, and allows for easy collaboration with existing security and non-security horizon scanning activities, such as the AJASN. If such an approach is acceptable, the resource implications of this option for individual agencies could be relatively small. An additional layer of analysis for national security purposes might be needed to ensure fitness for purpose, but this is likely to involve a relatively small number of people to develop a separate product to inform selected SPF activities, such as the National Security Strategy or National Security Capability Plan.

The main disadvantages of this option include the breadth of focus, which could mean that national security agencies are supporting tangential work. The time schedule for delivering scan reports would probably be based on a compromise between many competing needs, and therefore might not suit specific customers such as national security officials. Its openness might also inhibit discussions concerning particular countries or technologies, especially if classified information would help in understanding the related trends. Any dedicated team would need to recall the UK experience, where the 'coordinate and produce' model proved difficult to implement. Importantly, the assumed efficiencies of this approach might also be lost if an additional, dedicated effort is still required to meet the needs of the SPF. Despite these possible drawbacks, the *Plug-in and Collaborate* options could provide an effective option for a major national effort.

## **OPTION 2: BESPOKE SYSTEM FOR THE SPF**

Option 2 privileges responsiveness to the SPF and secrecy far more than Option 1. This means that the sponsors, host and scanning participants would be drawn primarily, and perhaps solely, from government agencies involved in national security.

This option does not envisage a single scanning organisation. Instead, it assumes each national security organisation would conduct their own analytical scanning effort, and share this product with others. Discussions with experts in roundtables already points to significant effort by many agencies: this option proposes an ability to coordinate and encourage all to make at least some effort to scan the horizon. It also means Option 2 will probably cost more than option 1, when all is taken into account.

Also envisaged in Option 2 are periodic 'community products' to support specific SPF activities, such as updates to the National Security Strategy, the National Security Capability Plan or other similar activities. These products would include and complement intelligence analysis such as the shorter-term annual 'All Hazards National Assessment' by integrating analysis of longer-term trends of interest to the national security community. As a result, the scanning outputs are most unlikely to be released publicly: at

least, not without extensive revision to remove classified information or findings. Given the aim and closed nature of the activity, the sponsoring group could be formed from the second or third-tier of senior officials and hosted from either a policy agency or a central agency; a likely candidate is the (appropriately resourced) Department of the Prime Minister and Cabinet.

Given the specific nature of this scan, a team of four to five government participants would form a core team, but its function would be focused largely on coordinating the effort of others. Also in contrast to Option 1, this team would be resourced by the subset of Commonwealth agencies with responsibilities for national security. Still, a high level of cooperation with non-security entities would be needed to cover the entire policy field. Regardless of the actual size of the core team, most relevant national security agencies should be involved in some way, as each would be encouraged to produce scanning product with relevance to their organisation. This could bring up to seventeen Commonwealth government agencies into the scanning activity: more if State and Territory governments also participate. External experts from within and outside government should be consulted widely, although sharing product or process activities could be problematic if security classifications are imposed on the product or process activities.

The need for outreach and aftercare is probably more limited in Option 2, and would be focused on internal, i.e., national security, audiences. It would be possible to use product in some, more closed international situations, perhaps in cooperation with close security partners.

The main advantages of Option 2 are its focus, responsiveness and broad ownership. While scan participants would be free to look where they need to and consult external sources, the intended customers would be the national security agencies who resourced the task and provided the initial inputs. The ability to conduct work at a classified level is greater with this option than with Option 1.

The responsiveness of this option is another important advantage over Option 1. While this 'bespoke' option involves a large number of national security agencies, the number of agencies involved in Option 1 might easily exceed two or three times that of Option 2. Identifying the optimal time to deliver product in Option 1 would be a challenge, whereas Option 2 needs a fewer number of agencies to agree on what the scan needs to be used for. Other advantages might come from the ability to maintain a relatively simpler tasking process, and to maintain support over the long term because individual agencies, rather than a disembodied central group, own the scan in cooperation with others.

Table 3: Option 2—Bespoke System for the SPF

		Parameter Values (with Logical Alternatives)	
HS System Function Parameters	<b>Purpose</b>	Scan specific to national security SPF	
	<b>General method</b>	Active	
	<b>Reporting frequency</b>	Timed to meet needs (i.e. of SPF)	
	<b>Sponsor</b>	Deputy Secretary-level	Below Deputy Secretary
	<b>Release policy</b>	Reports released only to closed network	
	<b>Type of product</b>	Synthesised scan reports for the entire area of concern	
HS System Form Parameters	<b>Hosting Responsibility</b>	National security policy department	Central agency
	<b>Scanning participants</b>	Government only participants	
	<b>Team structure</b>	Coordinating core	
	<b>Outreach</b>	No conference or seminars	Briefings for key meetings
	<b>Aftercare</b>	Follow-up by individuals	

The principal disadvantages of this option reflect the advantages of Option 1: coverage and cost. As the coordinating core itself would only be able to encourage others, it could prove hard to develop true ‘whole of government’ product without significant senior leadership support or an *ad hoc* assignment of resources. As individual scanning products would probably rely upon a narrower base of expertise, some trends external to mainstream national security analysis might not receive due attention or not receive thorough analysis by experts. Of course, there are ways to mitigate this disadvantage, and experienced scanners are likely to consult and cast their information nets very widely. On the surface, this option might not be as expensive as Option 1, but the full cost would need to be shared among fewer agencies and no savings could be harvested by closing existing scanning efforts.

On balance, the optimal solution for the national security community is Option 2 because it is focused; it is most likely to be responsive to the needs of the SPF; and, unlike Option 1, classified product can be intrinsic to the main process. This makes it possible for the bespoke option to use existing scanning efforts that are currently being undertaken by national security agencies. Also, the ‘openness’ advantage of Option 1 could be diluted by skilful collaboration with existing non-security scans, and by encouraging the scanning team to search widely. Furthermore, there is nothing to preclude the bespoke option planning team from joining the AJASN, which would also serve to ensure breadth in research and engagement with a broad audience.

Further variations could be made to either model. For instance, the purpose of Option 2 could be expanded to support all planning across the national security policy area, such as supporting future defence, border security or counter-terrorism white papers. Such a scan would certainly be extensive, but in all probability less focused and more expensive than the existing Option 2 proposal because a larger scanning team might be required. However, this broader purpose could absorb some existing scanning efforts and so help to reduce duplication. Another variation could involve hosting the Option 2 model through a joint venture arrangement with an institution such as the Australian National University's National Security College. This option may offer the scan the best of both worlds because the National Security College is already established as a joint venture and includes staff seconded from the public service. Information security would, however, be more complex than Option 2 currently assumes.

Further tinkering with aspects of product, team and process in both options are feasible, although some aspects would have resource implications. For example, additional products such as a product similar to the US 'Global Trends' series, or an aftercare plan involving engagement with a variety of audiences, would almost certainly require more resources than Option 2 currently envisages. Changes to engage more groups or sources of expertise in the scan process, such as expanding the board to include non-government experts, are also possible, and might be attractive to senior decisionmakers if openness and communication are imperative.

In addition to these broad considerations of function and form, decisionmakers will need to address a range of other matters when establishing the scan. Settling the time dimension, for instance, will be an important decision. Many scans or futures activities tend to operate in the twenty to thirty year time band, and this seems optimal for capability or similar planning activities.<sup>38</sup> But such a timeframe might not suit other purposes, such as risk management or strategy. Information connectivity will be another key decision, and will be determined largely by the level of security needed for the scan data and product. As the earlier mention of success factors suggests, evaluation is best built into the scanning system, and this process and criteria should receive significant attention from the outset. Even earlier still, officials with potential responsibilities for a horizon scanning initiative should conduct a needs analysis to identify exactly what is currently being done in this space, and importantly the type of help that senior officials want with regards to making decisions about the balance of attention and resources concerning Australia's future national security challenges. They would not want to grasp a 'wisp' of the future that does not help senior officials to meet the challenges faced by their respective organisations, and the nation at large.

---

<sup>38</sup> Ramalingam and Jones, 'Strategic Futures Planning', pp. 32-3.



## **Conclusion**

National security policymaking in Australia has entered new space over the past five years. It has, for the first time, taken a broad view of Australia's national security challenges, and resolved to enhance coordination and develop detailed plans about the future in areas such as capability development. This work is being developed into a cohesive Strategic Planning Framework, with the intention of optimising resource allocation and, ultimately, the effectiveness of Australia's national security arrangements. Some elements of the SPF and its supporting tools have already been identified and all seem logical and achievable, with significant effort and goodwill. One missing element is a tool like horizon scanning, which this article contends is very important as a planning activity because it can take an extended view of Australia's security challenges over time, and provide decisionmakers with synthesised insights into the emerging strategic environment.

The value of undertaking horizon scanning for national security planning purposes is clear, particularly because it will provide senior officials with space to think expansively about the future and be less reactive to events. More specifically, horizon scanning will also provide value by filling the analytical gap between the existing shorter-term All Hazards National Assessment and the big drivers that will unfold beyond three-to-five years hence. As the expert workshops consulted as part of this project show, different parts of government are already taking advantage of horizon scanning to support decisionmaking today. However, there is no comparable work underway in the national security community that integrates intelligence analysis of the external environment with drivers that will pose internal challenges to an organisation. What is needed now is a horizon scanning system that will suit the specific requirements of a forward-looking SPF.

This article has suggested two broad options that essentially differ in the way they support different groupings of national decisionmakers. Option 1, which was based on promoting a whole-of-government—and perhaps even broader—scanning network, was described as having significant advantages in terms of the range of expertise it could muster and the openness of its processes in support of essentially all policy decisionmakers. In contrast, the narrower focus of the bespoke Option 2 would provide national security decisionmakers with a laser-like focus on their needs and those of the SPF. Both options would be feasible and both could produce a result if implemented after a careful needs assessment and with real support from senior leaders.

Still, the focus and responsiveness of Option 2, if tempered with a deliberately collaborative attitude towards non-security scanning efforts, makes it superior yet probably marginally more expensive: this option should

be developed further if Australia's national security community accepts the value proposition of horizon scanning.

Whether Option 2 provides the best fit at the time of decision—and whether variations of it are attractive or not—will depend upon the preferences of decisionmakers and the weight they place on the various technical, resource and 'small-p' political factors that are difficult to assess from a distance. For instance, some excluded variations might become more attractive, such as an extensive and expensive 'centre of excellence' model, if the government's fiscal priorities change. These uncertainties help to make morphological analysis a useful tool because it provides decisionmakers with a menu to build a system that suits their needs, without necessarily having to return to the drawing board.

*Dr David Connery is a long-time member and former board member of the Kokoda Foundation. He produced this article during his appointment as Deputy Director (Strategy and Development) at the ANU's National Security College. He is currently Senior Analyst (Strategic Policing) at the Australian Strategic Policy Institute [davidconnery@aspi.org.au](mailto:davidconnery@aspi.org.au)*

---

# Game-changer in the Pacific: Surprising Options Open Up with the New Multi-purpose Maritime Capability

John Blaxland

Compelling reasons for developing and maintaining a robust amphibious force as part of the ADF's suite of military capabilities are not hard to find. They are based on sound liberal and realist imperatives for Australian leadership in the Pacific and beyond to foster and maintain regional security and stability. Experience after the Indian Ocean Tsunami and repeated deployments off the coast of Fiji is instructive, but so is Australia's experience dating back for a century, considered briefly in this article. That experience suggests a robust amphibious capability could make a significant difference to Australia's regional diplomatic leverage, providing relatively significant hard power to complement the government's diplomatic soft power in support of the nation's humanitarian, liberal-democratic and realist instincts.

Facing significant financial pressures, the Department of Defence is looking to make some hard decisions about capabilities that may be optional and which, some would argue, can be mothballed for now. One capability that may be under consideration is one or both of the new amphibious landing helicopter dock ships, or LHDs, being built jointly by BAE Systems Australia and Spain's Navantia. The first hull is now being fitted out near Melbourne and the second is under construction in Spain. On paper, the cutback option may appear attractive, with some critics questioning their justification, their utility, their protection, and the appropriateness of developing a Marine Corps-like amphibious capability for the army and navy.<sup>1</sup> But there are compelling reasons for not taking the axe to them.

In a time of increased political and strategic uncertainty and unprecedented environmental challenges, there are some benefits for Australia and the region that can be expected to accrue from properly developing, maintaining and resourcing the new amphibious capability. There is a range of other surprising instances where amphibious forces have demonstrated their utility in Australia's history. To fully understand the efficacy of such capabilities to Australia's defence and security, it is worth reflecting briefly on how amphibious forces have contributed to Australia's defence and security in the past, particularly during the world wars as well as in more recent decades.

---

<sup>1</sup> G. Barker, 'Chest-beating Rights Come at a Price', *Australian Financial Review*, 8 March 2012, <[http://www.afr.com/p/chest\\_beating\\_rights\\_come\\_at\\_price\\_QItVTOhIsIprWWJS5m0fQP](http://www.afr.com/p/chest_beating_rights_come_at_price_QItVTOhIsIprWWJS5m0fQP)> [Accessed 3 December 2012].

## Amphibious Forces and the World Wars

Gallipoli features as one of the touchstone moments in the formation of an Australian identity. Yet while American Marines closely study the Gallipoli campaign for operational lessons on amphibious operations, the Australian experience is one of mythologising the event rather than studying it for applicable lessons today. Closer to home, Australia's first major engagement in the First World War, undertaken by the Australian Naval and Military Expeditionary Force, involved the seizure of the German colony based at Rabaul in what is now Papua New Guinea in September 1914. The incident was relatively painless and uneventful, but it pointed to the enduring utility of land and naval forces collaborating to enhance Australia's security in a region with thousands of islands.

During the Second World War Australians deployed troops ashore from ships in places like East Timor in 1942, Finschhafen (on the coast of New Guinea) in 1943, and in Balikpapan, Borneo, in the Netherlands East Indies (now Indonesia) in 1945.<sup>2</sup> In naval folklore the pride of the fleet were the major fighting ships, including HMAS *Sydney* and HMAS *Australia*. But the ships most in demand were the 'ugly ducklings' of the fleet, the amphibious ships HMAS *Manoora*, HMAS *Kanimbla* and HMAS *Westralia*. They operated effectively in what could be called the 'twilight zone' known as the littorals. This was an area that, in some ways, was in between the areas traditionally dominated by land forces and naval forces—a domain that neither the army nor the navy appeared to be really comfortable with owning and mastering.

## Post-War Hiatus

By the end of the war, the Royal Australian Navy (RAN) had a fleet of six LSTs, able to project land forces at an unprecedented level. This capability would soon atrophy, with distracting commitments to the post-war occupation of Japan, followed by the Korean War, Malayan Emergency, and Confrontation in Borneo as well as the war in Vietnam—although HMAS *Sydney* and accompanying vessels played an important role in ferrying troops and equipment to and from Vietnam. In essence, however, during these years both the RAN and the Australian Army let lapse much of the amphibious capability which had proven to be in such great demand at the height of the campaigns in the South and South-West Pacific.

In the minds of many, amphibious operations came to be associated with the apparent excesses of the bloody fight against the Japanese across the Pacific. Little thought appears to have been given to the remarkable utility and versatility that accrued from maintaining a robust amphibious capability.

---

<sup>2</sup> See P. Dean, *The Architect of Victory: The Military Career of Lieutenant-General Sir Frank Berryman* (Melbourne: Cambridge University Press, 2011).

No one is seriously considering the recurrence of an event on this scale, nor does anyone envisage, even in the unlikely event of a major war, that Australia's modern-day amphibious vessels would be used for an Iwo Jima-like scenario of troops going ashore across a bullet-ridden beach. The advent of helicopters, satellite imagery and advanced intelligence, coupled with robust special forces capabilities, makes such scenarios a particularly remote prospect. But the images of places like Balikpapan were hard to shake from popular consciousness. Yet there would be numerous instances where land and naval forces worked together on unanticipated operations.

Consider for a moment Cyclone Tracy which struck Darwin on Christmas Eve 1974: one of the most useful platforms in the ADF's inventory to help out was the aircraft carrier HMAS *Melbourne*. With helicopters and stores embarked, the arrival of HMAS *Melbourne* in Darwin along with the escort maintenance ship HMAS *Stalwart* and a further eleven naval vessels made a significant material difference to the pace and extent of the recovery operations. The new LHDs offer considerably greater flexibility and capability than did the old carrier.

After Cyclone Tracy, HMAS *Melbourne* was decommissioned with the intention for it to be replaced in 1982. The decision to replace HMAS *Melbourne* was reversed after the British withdrew their offer of the aircraft carrier HMS *Invincible* once it proved so useful to the British during the 1982 Falklands War. Thankfully, the RAN had at least acquired an amphibious Landing Ship Tank (LST), HMAS *Tobruk* in 1981. Yet even then, little effort was made to reflect on the lessons from Britain's experience and to adjust Australia's force posture accordingly. HMAS *Tobruk* provided the Australian Defence Force with a modest amphibious lift capability, with a helicopter deck, but no command and control facilities for an embarked force. But beyond the ability to carry a helicopter on HMAS *Tobruk*, and on the navy's frigates, whatever air cover was required in Australia's immediate environs, strategic policy officers argued, could be provided for with land-based RAAF aircraft. While the LHD's are not intended to carry fixed wing aircraft, they will nevertheless be able to carry eleven helicopters and, if required unmanned aerial vehicles for intelligence and surveillance support. In effect they will be considerably more potent than the aircraft carrier HMAS *Melbourne* ever was.

### **Operation Morris Dance 1987**

There is one operation undertaken shortly before the end of the Cold War, which took place in the Pacific and which illustrated some of the Australian Defence Force's (ADF) amphibious shortcomings and which pointed to areas requiring improvement. That was Operation Morris Dance.

The events of May 1987, when Lieutenant Colonel Sitiveni Rabuka and elements of the Royal Fiji Military Forces (RFMF) staged a military coup in

Suva served to illustrate the limits of Australian soft and hard power. Rabuka seized power in an attempt to secure traditional Fijian land ownership and to ensure that political power remained in the control of ethnic Fijians. The key government ministers managing the crisis in Australia, Prime Minister Bob Hawke, Defence Minister Kim Beazley and Acting Foreign Minister Senator Gareth Evans, initially wanted to see what they could do to rescue the deposed Fijian Prime Minister, Timoci Bavadra, with perhaps a helicopter sent in to accomplish a rescue. But the Chief of Defence Force, General Peter Gration, was consulted and he quickly and clearly explained the virtually insurmountable obstacles with such a proposal including the difficulty in locating the captive prime minister's exact whereabouts and the logistic difficulties in getting in and getting him out.<sup>3</sup>

Once it was clear that New Zealand was not interested in mounting a military operation, Hawke, Beazley and Evans quickly rejected military intervention. This was particularly the case once it became known early on that there was widespread support amongst Fijians for the coup.

Nonetheless, considerable planning was undertaken in Canberra, coupled with briefings from the Joint Intelligence Organisation, but it was not until 20 May 1987 that a warning order was issued for preparations to commence to support the potential evacuation of an estimated 4000 Australian nationals from Fiji. The Townsville-based Operational Deployment Force had been designated for response to contingencies that might arise in Australia's region.

The Advance Company Group was then flown by RAAF C-130 Hercules aircraft from Townsville to Norfolk Island and deployed in an ad-hoc fashion onboard a variety of Australian naval vessels; firstly the amphibious ship, HMAS *Tobruk* and subsequently the supply ship, HMAS *Success*, and the warships HMAS *Parramatta* and HMAS *Sydney*. None of these last three ships were intended for landing troops ashore. For fifteen days the troops stood by, spread out amongst the four ships, reviewing intelligence briefs and plans and conducting physical training in the ships off the Fijian coast, 2000 nautical miles from Australia. By 7 June the troops were back home.

The operation was, on one level, uneventful. But the operational concept for the deployment presumed the Fijian authorities would be prepared to facilitate the entry of Australian forces to extricate their evacuees. This planning relied on untested assumptions that could have exposed the force to significant difficulties beyond those they experienced. Indeed, General

---

<sup>3</sup> This story features in J. Blaxland, *The Australian Army from Whitlam to Howard* (Melbourne: Cambridge University Press, 2013).

Gration “only saw the infantry company as evacuation marshals in a permissive environment. They were never going to contest with the RFMF.”<sup>4</sup>

The operation off the coast of Fiji was never intended to test the limits of Australian military capabilities. But that fact was premised on the understanding that Australia simply did not have the capability to deploy sufficient force off the coast of Fiji to assert itself and influence the outcome in the event of a deteriorating security situation ashore.

Beyond any desire by the government to influence domestic political events in a South Pacific nation, the most fundamental issue relates to the ability of the Australian Government to protect its citizens overseas. Had the Fijian authorities refused to cooperate in the event of calls for an evacuation the only option left would be for the citizens to be abandoned or for a very large operation to be mounted against opposition. In the latter case, the Australians could have been used as hostages and, lacking a robust amphibious capability like the LHDs, the government would have been faced with being unable to do anything of substance to assist or rescue its citizens.

The experience of operating off the coast of Fiji in 1987, when juxtaposed against the strategic guidance in the 1987 Defence White Paper, symbolically illustrated the paradox of Australian governments emphasising defence of continental sovereignty while feeling compelled to deploy forces well beyond the air and sea approaches to the continent when unforeseen circumstances arose.

As a consequence, the experience would influence the key strategic planning document prepared in 1989 entitled *Australia’s Strategic Planning in the 1990s*.<sup>5</sup> This document did not advocate a change of policy but recognised that situations might arise that could require the defence force to become involved in the South Pacific, including evacuation of citizens or natural disaster relief.<sup>6</sup>

Operation Morris Dance provided a sobering demonstration of the limits of Australian military power in the late 1980s. Even if it had wanted to or needed to, Australia simply could not have deployed a land force into the South Pacific safely and effectively if there was any prospect of onshore opposition to such a move. The LHDs are set to change the equation completely.

---

<sup>4</sup> Ibid.

<sup>5</sup> Commonwealth of Australia, *Australia’s Strategic Planning in the 1990s* (Canberra: Department of Defence, 1989)

<sup>6</sup> D. Horner, P. Londey and J. Bou (eds), *Australian Peacekeeping: Sixty Years in the Field* (Melbourne: Cambridge University Press, 2009), p. 57.

## Post-Cold War Operations

With the end of the Cold War, the tempo of ADF operational deployments increased markedly. In 1993, for instance, the 1 RAR Battalion Group deployed to Somalia employing HMAS *Tobruk* as the key support vessel. But being far away and not related to the direct defence of Australia, there were few lessons for the ADF that were thought to be worth learning from the experience—including concerning the utility of an expanded amphibious force.

Amphibious vessels were widely used for both missions to Bougainville in 1994 and again from late 1997 onwards. In 1994, for instance, HMAS *Tobruk* was loaded to capacity for the transit from Townsville to Bougainville. The experience demonstrated that the ADF would benefit from additional amphibious ships.

Subsequently two additional amphibious ships, HMAS *Manoora* and HMAS *Kanimbla*, were added to the inventory in 1994. Together with HMAS *Tobruk*, once they were refurbished, they became the most frequently-used ships in the fleet, reflecting their importance and utility in support of the government's priorities. But even then, their capacity was limited and they experienced considerable serviceability challenges.

More recently, experience in East Timor in 1999 and 2006 as well as in Aceh following the 2004 tsunami and other security and humanitarian challenges have prominently demonstrated the utility of an LHD-like capability.

In the case of the international intervention in East Timor in September 1999, the mission became heavily dependent on support vessels from our coalition partner even though Dili was close to a major Australian port in Darwin. Once again, the utility of amphibious vessels was demonstrated with the amphibious lodgment on East Timor's south coast, near the border with West Timor at Suai, in mid-October 1999. With the onset of the monsoon, the viability of the roads across the Timorese mountain range meant that a lodgment over the shore in Suai was necessary. Once again, the limited capacity of the ADF in this domain was stretched to capacity and thankfully supplemented by coalition partners. The return of ADF elements to East Timor, at short notice, in May 2006, reflected well on significant improvements to the ADF's amphibious capabilities.

In the meantime, Australia's amphibious forces played a pivotal role in enabling the establishment of the Regional Assistance Mission in the Solomon Islands (RAMSI) in 2003. The physical presence of the landing platform amphibious ships had an intimidatory effect on those local bandits ashore running amok. The new LHDs are substantially larger and more capable than the Landing Platforms Amphibious, HMAS *Manoora* and HMAS *Kanimbla*, presenting a greater potential psychological impact on potential



adversaries ashore, while also facilitating far greater humanitarian assistance or disaster relief capabilities in times of need.

In addition, the tsunami relief operations in and around Aceh in early 2005 were facilitated by the availability of the ADF's amphibious forces. But, once again, the ADF was significantly constrained in what it could offer to assist in large part because of the limitations of the amphibious vessels at its disposal. Compared to the amphibious resources employed by other regional powers, Australia's amphibious capabilities were embarrassingly limited.

### **Return to the Waters off Fiji**

Again, and also in 2006, following tensions in Fiji between the military and the government, three Australian naval vessels were deployed to international waters off Fiji in preparation for a potential evacuation of Australian citizens. Operation Quickstep was the name given to the ADF's operation in response to news of the military coup which occurred on 4 December 2006, admittedly with no bloodshed, when the RFMF, under Commodore Frank Bainimarama, took control of the Fijian Government. Like Operation Morris Dance in 1987, Operation Quickstep was only ever intended to provide for the permissive evacuation of Australian citizens and other approved foreign nationals in the event of an outbreak of violence following a military takeover in Fiji.<sup>7</sup>

While the coup was conducted non-violently, the deployment of forces, as in any peace-time military activity, always involves risk. On 29 November 2006 a Black Hawk helicopter crashed while attempting to land on the deck of one of the ships assigned to *Quickstep*, the amphibious ship HMAS *Kanimbla*. Nine of the ten crew and passengers were rescued, but two died. On 20 December the Australian Government announced that ADF elements involved in the operation were being recalled to Australia as the potential need for a military-backed evacuation appeared to have passed. But the experience demonstrated that the ADF was not yet configured for, nor fully trained for, the kinds of operations in the South Pacific that the government would task it to undertake.

Today two of the three ships, HMAS *Kanimbla* and HMAS *Manoora*, have been decommissioned, essentially because they were worn out. They proved to be remarkably useful and virtually indispensable platforms. Instead, the RAN of 2014 is set to commence operating an LHD alongside the recently-acquired Bay Class LST, HMAS *Choules*. Together they amount to a game changer for any future contingencies the ADF may face in the Pacific.

---

<sup>7</sup> The author was Chief Staff Officer for Joint Intelligence (J2) at Headquarters Joint Operations Command during this period.

## Ramifications for the LHDs

Strangely enough, the lessons on scale, force configuration and preparedness from the experience off the coast of Fiji appear to have been overlooked in some quarters as strategic planners consider how and why the new LHDs may be employed in the coming years.

These ships are incredibly versatile, being useful for a wide spectrum of tasks that include humanitarian assistance and disaster relief. These ships will enable the rapid deployment of considerable engineering, medical and other logistic elements to support rapid rehabilitation of devastated areas. Such aid and assistance has contributed significantly to the rebuilding of Australia's bilateral relationship with Indonesia and, in so doing, assisted in enhancing regional stability and security. With a greater tempo of natural disasters and man-made crises anticipated in the coming years, such a capability will prove distinctly beneficial.

At the other end of the spectrum, LHD's have sometimes been described as vulnerable for high-end warfighting, particularly against a submarine threat. But the LHDs were never purchased with the intention of operating on their own without protection from other vessels like the Air Warfare Destroyers (AWDs) and from the Royal Australian Air Force (RAAF), at least when close enough to land-based airfields. In addition, the LHDs offer a platform for a large number of on-board anti-submarine warfare (ASW) helicopters making them versatile not just for amphibious operations but also anti-submarine operations. Some have criticised the acquisition of air-warfare-focused AWDs as being too vulnerable to sub-surface attacks from submarines. But the danger is significantly mitigated by working alongside an LHD should there be several ASW helicopters embarked. So configured, an LHD would enhance the ASW defences that might be necessary if a submarine threat was to be faced by the AWDs.

In terms of ship-to-shore, the LHDs are suitable for conducting operations when invited to dock alongside in a harbour. Alternatively they are suitable for deploying equipment and personnel from a distance offshore by landing craft or by helicopter, particularly when docking facilities are damaged or destroyed by a natural disaster, or when uninvited. A critical looming shortcoming is the absence of clear plans to acquire a suite of landing craft to supplement the capability inherent in the LHDs and HMAS *Choules*.

Some have expressed concern that the LHDs will engender a cavalier willingness to fight a land war in Asia.<sup>8</sup> This is a remote prospect and, in a counter-intuitive manner, suggests that the Australian Government should avoid maintaining such capabilities in case it needs it. Besides, the lack of LHDs has not made a difference in such decisions in the past. For Australia,

---

<sup>8</sup> Barker, 'Chest-beating rights come at a price'.

numerous military engagements have occurred in Korea, Malaysia and Vietnam, for instance (let alone more recently in Afghanistan), when no such amphibious capabilities were maintained in the Australian military inventory—although during the Vietnam War HMAS *Sydney* played an important supporting role as a troop carrier. Back then, Australia made niche contributions alongside great power allies, relying on others (Britain and the United States, primarily) for much of the necessary support.

But reliance on great and powerful friends to provide relevant amphibious capabilities seems increasingly inappropriate as uncertainty in the region increases and as demand for short-notice assistance grows in response to an increasing range of natural disaster and man-made crisis situations. There are compelling reasons, particularly for contingencies in the South Pacific and elsewhere nearby to Australia, to maintain a self-sufficient capability to reach and to influence events in places experiencing a crisis.

Nowadays, with sophisticated intelligence, surveillance and reconnaissance assets, and robust helicopters, forces would deploy from ship to a relatively safe place onshore away from any highly defended positions, in an area most likely already reconnoitred and deemed safe by special forces. In addition, particularly if facing a sophisticated threat, the LHDs would deploy under the cover of the security umbrella provided by Australia's modern fighter aircraft, air warfare destroyers and submarines. It would be unreasonable to expect Australia to commit to deploying the LHDs in a hostile environment without such protection and surveillance assets deployed. While some decry the strategic planning process in defence that led to this mix of capabilities, the idea of maintaining a balanced force to mitigate a range of risks is actually wholly reasonable and sensible.

That reasonableness is reinforced when considering the deliberations of a number of Australia's neighbours. It is worth noting that several regional powers have also deemed reasonable the benefits of maintaining highly-capable amphibious assets. In addition to the United States, countries such as Japan, South Korea, France (with vessels in New Caledonia) and Russia have or are acquiring such platforms. Others such as Singapore, New Zealand and Thailand have also purchased modern amphibious ships for the same compelling reasons. These ships are sought after because they are versatile.

In addition, the Royal Australian Navy simply does not have the personnel to operate more than two or three such vessels. And smaller ones, while able to access more remote and smaller ports, would carry less and therefore provide less capability per platform. Besides, these ships are well on the way to being completed. Rather than turn back the clock and waste the good work and money invested, the government should consider how best these vessels can provide aid and other assistance in the region while furthering Australia's interests in fostering regional security and stability.

Australia's Defence White Paper in 2009 quite reasonably placed defence of Australia as the top priority.<sup>9</sup> And the Defence White Paper of 2013 stressed the importance of regional engagement and military diplomacy.<sup>10</sup> But there are competing priorities for the use of defence resources both within Australia and beyond in what is not just a 'sea-air gap' but a sea-air-land 'gap' (considering the many islands and platforms out there), where naval and army assets, supported by the RAAF, could be called upon to operate, at short notice, in a wide range of contingencies. The LHDs provide some of the most useful platforms for operating in and around Australia's vast coastline and beyond.

The contrast with the experience of the C-17 aircraft also is instructive. The Australian Government purchased four C-17s for the RAAF and within weeks, they were being used to deliver support after Cyclone Nargis in Burma in 2008 while also contributing significantly to the resupply of troops in Afghanistan. In other words, by acquiring a new capability the ADF was able to undertake tasks that simply could not have been contemplated previously. Similarly, with the imminent arrival of the LHDs as part of the ADF's suite of capabilities, it will be very interesting to watch and see just how many good reasons there will be for having acquired the capability.

Such capability should also be tied in closely with Australia's regional engagement and aid priorities. When US Navy LHDs cross South-East Asia and the Pacific on the way to the Persian Gulf, for instance, they routinely stop along the way and their navy-marine teams conduct focused humanitarian assistance missions in places like East Timor and Indonesia, earning immense goodwill while materially assisting the needy with construction, medical, dental and other support to local communities. These operations test a wide spectrum of military skills considered essential for complex warfighting, but which equally are valuable for humanitarian assistance and disaster relief.

## **Implications for the Future**

The Australian Army and the RAN should go and do likewise, focusing on projects mutually agreed with states in Australia's neighbourhood including Indonesia, Papua New Guinea, East Timor and a range of South Pacific countries. Engagement on strategically chosen development assistance projects could generate considerable goodwill towards Australia while bolstering the security and stability of the island states affected and, in turn, regional security for the states in Australia's neighbourhood. With the prospect of increased instability and environmental challenges, short notice calls for such assistance are more than likely.

---

<sup>9</sup> Commonwealth of Australia, *Defending Australia in the Asia Pacific Century: Force 2030* (Canberra: Department of Defence, 2009).

<sup>10</sup> Commonwealth of Australia, *Defence White Paper 2013* (Canberra: Department of Defence, 2013).

From now on, when considering response options in the face of a deteriorating security situation in Australia's region, a significantly more flexible and adaptable capability is available for use. Conversely, for those would-be over-throwers or trouble-makers in the South Pacific, the very existence of Australia's robust amphibious capability will act as a distinct deterrent in the knowledge that extreme action can be counteracted by a significant Australian joint force that could arrive off their shore at short notice.

In the meantime, as Australia looks to engage more closely with Indonesia and other ASEAN and South Pacific neighbours, constructive engagement with engineers, medical and logistic teams alongside local teams may well prove ground-breaking, literally and metaphorically. Such a capability is particularly significant when weighing up the security and stability calculus of the region and as the ADF reconfigures for life post-Afghanistan, a more useful and noble role would be hard to find.

*Dr John Blaxland is a Senior Fellow at the Strategic and Defence Studies Centre at ANU. He writes about military history, intelligence and security, and Asia-Pacific affairs. He holds a PhD in War Studies from the Royal Military College of Canada, an MA in History from ANU, a BA (Hons) from UNSW and is a graduate of the Royal Thai Army Command and Staff College. He is a former Chief Staff Officer for Joint Intelligence Operations (J2), at Headquarters Joint Operations Command and was Australia's Defence Attaché to Thailand and Burma from 2008-2010. His forthcoming book is entitled The Australian Army from Whitlam to Howard (Cambridge University Press, 2013). [John.blaxland@anu.edu.au](mailto:John.blaxland@anu.edu.au).*

---

---

# Linking National and Military Energy Security in Australia: A Legitimate Nexus, or Political and Economic Expediency?

Martin White

Despite recent declarations of elevated interest, Defence fuel security has remained a low priority for defence policymakers for several decades. Policymakers sometimes linked or de-linked national and military fuel security issues for broader political and economic reasons, but not necessarily because there was a direct impact on Defence. Specific concerns were often only raised when there was a perceived political benefit, such as in the treatment of Offshore Energy Infrastructure in the 2009 Defence White Paper, and no significant actions has followed identification of the problem in this case. The perceived guarantee of logistic supply from the United States in the most anticipated operational scenarios has served to reinforce the low priority for (and subsequent inertia in) Defence fuel management.

The 2012 force structure review paper by Allan Hawke and Ric Smith gave particular emphasis to the requirement for improved Australian Department of Defence (herein titled 'Defence') fuel management, listing 'Strategic Fuel Issues' as the most important Strategic Logistic challenge.<sup>1</sup> This followed other high-level policy documents, such as the 2009 and 2013 Defence White Papers, which declared the need to improve Defence fuel management.<sup>2</sup> However, despite the rhetoric, Defence fuel security has remained a low priority for defence policymakers<sup>3</sup> for several decades, and the emphasis placed on specific issues often depended on factors other than the assurance of national or defence fuel security.

Despite the recent elevated political interest in military fuel security, particularly in the United States<sup>4</sup> and also in Australia, there has been little

---

<sup>1</sup> A. Hawke and R. Smith, *Australian Defence Force Posture Review*, Department of Defence, 30 March 2012, <<http://www.defence.gov.au/oscdf/adf-posture-review/docs/final/Report.pdf>> [Accessed 9 August 2013], pp. 48-9.

<sup>2</sup> Commonwealth of Australia, *Defending Australia in the Asia Pacific Century: Force 2030* (Canberra: Department of Defence, 2009), p. 124; Commonwealth of Australia, *Defence White Paper 2013* (Canberra: Department of Defence, 2013), p. 51.

<sup>3</sup> For the purpose of this article, a defence policymaker is defined as an individual who has the authority to plan for and influence Australian defence policy. This includes senior political and military leaders.

<sup>4</sup> For example, in 2012 at a US Air Force base that had established solar power, President Obama said "the world's largest consumer of energy ... Defense, is making one of the largest commitments to clean energy in history", and, "The less we depend on foreign oil, the more secure we become as a nation". D. Miles, 'Obama Praises DOD's Energy Leadership,

detailed analysis about the relationship between national energy management<sup>5</sup> considerations, and the action or inaction associated with Defence fuel management. Often, the logic of the national-military linkages made was questionable and inconsistent, and references to energy security were imprecise. This article will contend that defence policymakers sometimes linked or de-linked national and military fuel security issues for broader political and economic reasons, not necessarily because the issue had a direct impact on Defence. Consequently, national and military energy security was often overstated or understated. Rhetoric did not match action, and legitimate concerns about Defence fuel security were not given attention, consistent with the low priority afforded to broader energy security. Factors such as the perceived assurance of logistic support from allies such as the United States in anticipated contingency scenarios were considered more compelling.

The complex and evolutionary nexus between national and military energy security in Australia will also be highlighted by several examples. First, the declared reliance on legislative provisions such as the Commonwealth *Liquid Fuel Emergency Act 1984* (LFEA) to ensure emergency fuel supply for military purposes, and the security this legislation provided, will be examined. The direct linkage of this legislation to military planning after World War Two, and the implications of the legislative evolution from a military to an economic growth focus, will be considered. Second, the lack of priority given to addressing legitimate concerns raised in the Department of Resources, Energy and Tourism 2009 National Energy Security Assessment, and the broader lack of action to mitigate long-term Defence fuel security risks, will be discussed. Third, the overstatement of Defence energy security concerns will be argued, using the example of the Australian defence policy emphasis on military protection of Offshore Energy Infrastructure (OEI). The different approaches to specific energy security issues will be contrasted. This article is specifically focused on fuel (rather than broader energy types) due to its essential role in tactical operations.

---

Stewardship', U.S. Air Force, 26 January 2012, <<http://www.af.mil/News/ArticleDisplay/tabid/223/Article/111794/obama-praises-dods-energy-leadership-stewardship.aspx>> [Accessed 7 August 2013].

<sup>5</sup> Whilst other commentators have used the term 'National Energy Policy' to describe such considerations, this article is aligned with the view of D. Crossley, that energy management in Australia was an "accumulation of isolated actions", dealing with specific (mostly economic) issues. D. Crossley, *Energy Policy in Australia: The Social/Institutional Context and Procedures for Policy Formulation* (Brisbane: Griffith University, 1980), p. 47.



## Legislation to Mitigate Liquid Fuel Emergencies

Leaver and Ungerer identify that most nations maintained contingency plans for prioritising military fuel use.<sup>6</sup> In the decade after World War Two, national and military fuel security in Australia was closely and deliberately linked. Policymakers afforded a high priority to fuel for military contingencies. The importance of fuel in twentieth century conflicts, extensively documented,<sup>7</sup> was notable in political debates and Australian policy.<sup>8</sup>

The Commonwealth *Liquid Fuel (Defence Stocks) Act 1949* was legislated, based on the recent experience of World War Two, with the acknowledgement that Australian military forces relied heavily on a consistent fuel supply to operate. The Act focused specifically on national defence requirements as its sole concern,<sup>9</sup> acknowledging the exceptional nature of the task undertaken by Australian military forces.

Australian military exceptionalism, leading to broad political support for fuel prioritisation, was notable in parliamentary debates before and after World War Two. For example, in a speech to the House of Representatives in 1937, Sir Donald Cameron argued, “to-day guns are rattling almost at our doors, and I understand that in a national emergency our oil supplies would not last for more than three months”.<sup>10</sup> In another House of Representatives speech from the same era, Rowley James said,

nothing is being done to ... ensure that we shall have an adequate supply of petrol in time of war ... Australia would be just as defenceless ... unless there were adequate supplies of fuel for aeroplanes, tanks, etcetera.<sup>11</sup>

The close nexus between national and military fuel security, against the backdrop of a perceived serious or even existential military threat, was understandable. Policymakers were focused on achieving a level of logistic independence for operational contingencies related directly to the defence of Australia.

---

<sup>6</sup> R. Leaver and C. Ungerer, *A Natural Power: Challenges for Australia's Resources Diplomacy in Asia* (Canberra: Australian Strategic Policy Institute, May 2010), p. 10.

<sup>7</sup> For example, see R. Zubrin, *Energy Victory: Winning the War on Terror by Breaking Free of Oil* (New York: Prometheus Books, 2009), p. 224; D. Yergin, ‘America in the Strait of Stringency’, in D. Yergin and M. Hillenbrand (eds), *Global Insecurity: A Strategy for Energy and Economic Renewal* (Boston, USA: Houghton Mifflin Company, 1982), p. 21.

<sup>8</sup> For example, see House of Representatives, *Parliamentary Debates*, National Oil Proprietary Limited Agreement Bill, Second Reading, 10 September 1937, p. 1; House of Representatives, *Parliamentary Debates*, Estimates 1936-37, Additions, New Works, Buildings, etc, Speech, 16 September 1936, p. 1.

<sup>9</sup> *Liquid Fuel (Defence Stocks) Act 1949* (Cth), section 4.

<sup>10</sup> House of Representatives, *Parliamentary Debates*, 1937, p. 1.

<sup>11</sup> House of Representatives, *Parliamentary Debates*, 1936, p. 1.

## **CHANGES TO FUEL PRIORITISATION OVER TIME**

As direct World War Two experience faded from the collective memory of policymakers, as the defence of Australia became a less immediate concern, and as the economic impact of factors such as the 1973 Organisation of Petroleum Exporting Countries (OPEC) political action was realised, national emergency fuel legislation moved away from a defence focus.

The 1984 LFEA replaced the Liquid Fuel (Defence Stocks) Act. The LFEA was indicative of the economic growth focus that came to dominate the national energy management narrative, also demonstrated in policy documents such as the 2004 Energy White Paper.<sup>12</sup> Whilst the primary declared purpose of the LFEA was to ensure sufficient supply for defence of Australia requirements, the focus moved to economic factors. For example, the LFEA allowed the relevant Minister to invoke the Act to ensure “that trade or commerce ... may be carried out without obstruction or hindrance”.<sup>13</sup> When introducing the LFEA into the House of Representatives, the sponsoring Minister stated that the aim of the bill was “to minimise the total impact on the community ... and minimising economic dislocation”, with no mention of defence purposes.<sup>14</sup> The LFEA placed greater emphasis on financial compensation to those parties affected should provisions be invoked. Nevertheless, the economic provisions of the Act were never tested. The LFEA was used to provide a level of economic surety to industries with a heavy reliance on fuel, but with an ambiguous political commitment.

A 2007 amendment to the LFEA moved even further away from a defence focus, with a key aim to ensure that the LFEA was flexible “to deal with the many different circumstances that could require the exercise of the Government’s powers under the Act”.<sup>15</sup> The 2007 amendment was introduced after a study undertaken by Acil Tasman. The primary consideration of the study was “maximising economic efficiency” through the legislation,<sup>16</sup> and there was no reference to Defence in the study terms of reference. When discussing fuel allocation priorities, Acil Tasman declared that “the defence forces would be a higher priority in the case of a military threat to the nation, but less so in ... other circumstances”.<sup>17</sup>

---

<sup>12</sup> J. Howard stated, “Our nation’s enormous energy resources are a source of considerable prosperity for all Australians ... Looking forward, Australia has an opportunity to play a major role in supplying the world with energy”. Commonwealth of Australia, *Securing Australia’s Energy Future*, Energy White Paper (Canberra: Department of Prime Minister and Cabinet, 2004), Prime Minister’s foreword.

<sup>13</sup> *Liquid Fuel Emergency Act 1984* (Cth), part I, section 6.

<sup>14</sup> Liquid Fuel Emergency Amendment Bill 2007 (Cth), p. 1.

<sup>15</sup> *Ibid.*, p. 3.

<sup>16</sup> Acil Tasman, *Draft Review of the Liquid Fuel Emergency Act 2004*, Draft Report for Public Comment (Canberra: ACIL Tasman, 16 November 2004), p. v.

<sup>17</sup> *Ibid.*, p. 13.

The move towards an economic growth focus was reinforced through a number of national oil supply constraint simulations. Exercise Tanker, a liquid fuel emergency simulation in 2003, made no recommendations specific to Defence, and emergency services were designated as the highest priority for emergency rationing. Indeed, Defence was not even on the interdepartmental Task Force that was formed to respond to the emergency,<sup>18</sup> an indication that the Howard Government did not seek Defence advice regarding potential security implications when fuel usage was politically reprioritised. The Department of Transport and Regional Services, for example, was given a higher priority through its inclusion on the Task Force. No definitive prioritisation of the departments or industries with the greatest need was made in the Department of Resources, Energy and Tourism (DRET) summary of Exercise Tanker (however, a level of economic security for industry was implied). This lack of prioritisation did not provide certainty for Defence, but the risk would be determined by the prevailing geostrategic circumstances and the operational scenarios expected of Defence by the Australian Government. A short duration fuel disruption, with no concurrent major Defence commitment, would not necessarily have been a threat to national security. Notably, Exercise Tanker rehearsed the response to a short-term fuel supply disruption, with no consideration of an enduring disruption (a common theme in Australia).

Subsequent oil supply constraint exercises were held, such as Exercise Catalyst in 2008 and again in 2011. Results from these exercises were difficult to obtain, and whilst commentators argued that governments did not release information from these exercises due to the information being considered sensitive,<sup>19</sup> this also meant that declared security and economic assurances were not publicly tested. Only a summary of the experiences gained from Exercise Tanker in 2003 was made publicly available. However, there was no indication that the Catalyst exercises assigned a higher priority to a defence requirement. Whilst reducing Defence's priority within emergency fuel legislation did not result in any operational problems for any contemporary Australian government, there was no supply constraint that required the legislation to be enacted, nor was such a problem recently exercised.

Despite it not being tested or exercised, political and military policymakers consistently argued that the LFEA, and the inter-departmental National Oil Security Emergency Committee (NOSEC), were the measures that would ensure sufficient Defence supply. For example, in response to a Joint Standing Committee question about mitigating a fuel supply shortfall, Defence indicated that the primary mitigation was the NOSEC national

---

<sup>18</sup> MC<sup>2</sup> Pacific Pty Ltd, *National Oil Supplies Emergency Committee Liquid Fuel Emergency Simulation "Exercise Tanker"* (Canberra: MC<sup>2</sup> Pacific Pty Ltd, 4 August 2003), p. 8.

<sup>19</sup> Sustainable Transport Coalition, 'Submission on the Discussion Paper for the Review of the Liquid Fuel Emergency Act', Perth, September 2004, pp. 2-3.

prioritisation.<sup>20</sup> In response to a specific question on notice in 2008 about energy supply for domestic infrastructure and transport, Minister Carr referred broadly to NOSEC vulnerability assessments.<sup>21</sup> The Howard Government highlighted NOSEC in a templated answer to a range of energy security questions.<sup>22</sup> Similarly, in 2009, the Rudd Government answered questions about Defence's access to fuel during a supply shock by explaining the process for designating priority users of fuel,<sup>23</sup> but without highlighting the fact that Defence was no longer considered the user of primary national importance in most circumstances. With little publicly available information on the actions taken by NOSEC based on the declared need to limit knowledge of specific contingency plans, NOSEC was used as politically expedient evidence to answer specific questions about energy security, whilst implying an economic safety net for industry. Legitimate concerns about fuel supply for military operations were not directly answered.

As time elapsed after World War Two, with less perception of a military threat to Australia, with fewer policymakers with World War Two experience prominent in government, with operational scenarios that mostly saw Defence being logistically supported by a foreign power,<sup>24</sup> and with no significant national fuel supply constraints, Australian governments focused less on ensuring fuel supply for Australian military forces. Emergency fuel legislation declared an untested focus on economic continuity, with occasional reference to military provisions, but with less political expectation of a military requirement. The evolution of fuel contingency legislation, from a purely military focus to a predominantly economic focus, had implications for Defence that were not directly addressed.

### **DEFENCE INERTIA AS CIRCUMSTANCES CHANGED**

The widely held belief after World War Two that there was an immediate military threat to Australia became less prevalent, as the anticipation of a short notice large-scale military response reduced. Security assessments from the 1970s and 1980s, such as Dibb's judgement that Australia was "one of the safest countries in world",<sup>25</sup> whilst not directly linked to the

---

<sup>20</sup> House of Representatives Joint Standing Committee on Foreign Affairs, Defence and Trade, *Report into the Defence Annual Report 2007-08* (Canberra: Australian Government, October 2009), Paragraphs 9.21-9.22.

<sup>21</sup> Senate, *Parliamentary Debates*, Questions on Notice, Global Oil Supplies, Question 389, 15 May 2008.

<sup>22</sup> House of Representatives, *Parliamentary Debates*, Questions on Notice, Fuel: Diesel Shortage, Question 2112, 12 August 2003, pp. 2-3.

<sup>23</sup> Senate Standing Committee on Foreign Affairs, Defence and Trade, Additional Budget Estimates, Questions Taken on Notice, February 2009, p. 4.

<sup>24</sup> The 2009 Defence White Paper outlined the Rudd Government's intention to rely on others for military logistic support. Commonwealth of Australia, *Defending Australia in the Asia Pacific Century*, p. 48.

<sup>25</sup> P. Dibb, *Review of Australia's Defence Capabilities: Report to the Minister for Defence* (Canberra: Australian Government Publishing Service, March 1986), p. 1.

change in the approach to national energy management, were consistent with the rationale behind the change. Many policymakers represented the need for fuel prioritisation for Defence in the decade after World War Two, but very few made the same representation since the 1980s.

As the focus evolved to economic growth, reliance on emergency legislation for defence entailed risk that no policymakers declared, although this risk did not result in a negative effect on military operations since World War Two. However, this risk was periodically identified to the Australian Government. The 2004 Acil Tasman review of the LFEA stated that the Act was not designed to manage fuel risk for individual consumers, arguing,

The more users expect governments to ensure their supplies in a liquid fuel emergency, the less the incentive for users to undertake appropriate risk management.<sup>26</sup>

An Australian National Audit Office (ANAO) review of Defence fuel usage highlighted the risk associated with the longstanding approach, with “no express recognition of (Defence) fuel supply needs in any of the existing legislative regimes”.<sup>27</sup> The 2012 Force Structure Review was the latest warning, raising “Strategic Fuel Issues” (related to oil stocks and deployable resupply) as the primary critical risk to sustaining operations, including in Australia.<sup>28</sup>

The reliance on emergency fuel legislation (by Defence, and also by commercial industries) was also a risk because of the politically unpalatable nature of enacting the legislation, particularly in circumstances where there was no existential threat. Existential threats were considered highly unlikely under contemporary operational scenarios. The politically unpalatable nature of enacting the legislation could be tested in future operational scenarios similar to the International Force for East Timor (INTERFET), unique in the scale of its Australian leadership, but a declared and implied scenario in the 2009 and 2013 White Papers.<sup>29</sup> In conjunction with a fuel supply constraint, and with broad criticism of Defence’s fuel supply capability during INTERFET,<sup>30</sup> such a scenario could prove politically challenging.

Defence spends a large percentage of its budget on fuel, with estimates in 2010 of \$440 million Australian dollars. Fuel represented 51 per cent of total Defence energy consumption,<sup>31</sup> so total energy expenditure was

---

<sup>26</sup> Acil Tasman, *Draft Review of the Liquid Fuel Emergency Act 2004*, p. vi.

<sup>27</sup> Australian National Audit Office, *Australian Defence Force Fuel Management: Department of Defence*, Audit Report Number 44 (Canberra: Australian National Audit Office, 2002), p. 94.

<sup>28</sup> Hawke and Smith, *Australian Defence Force Posture Review*, pp. 48-9.

<sup>29</sup> Commonwealth of Australia, *Defending Australia in the Asia Pacific Century*, p. 63; Commonwealth of Australia, *Defence White Paper 2013*, p. 31.

<sup>30</sup> P. Firth, ‘Petroleum Support’, *The Link: Defence Logistics Magazine*, no. 3 (2008), p. 21.

<sup>31</sup> R. Lean, Briefing to Defence Fuel Management Committee, Presentation, Directorate of Climate Change and Sustainable Development, Canberra, 26 August 2009, Slide 7.

approximately 3.4 per cent of total Defence expenditure in that year. However, total consumption figures were small when compared to other Australian industries and sectors. In 2011, DRET indicated that Defence was not one of the eight largest energy consumers in Australia. Sectors such as agriculture, mining, manufacturing and electricity generation, although not single organisations like Defence, all used significantly greater quantities.<sup>32</sup> This DRET report did not make any reference to Defence usage, further reason that Defence might not be immediately considered a priority during a fuel supply shortfall.

Outside the LFEA framework, Defence did not undertake risk mitigation partly because of other perceived guarantees of fuel prioritisation. An important factor was the recognition that the operational scenarios required by the Australian Government (typified by operations in Iraq and Afghanistan) did not require fuel supply independence, underwritten by the United States. Traditional foreign logistic support when conducting combined military operations with other countries offered a regular guarantee of fuel supply. Despite not making this admission as candidly, the approach of policymakers to broader Defence logistic capabilities was clear. The 2013 Defence White Paper stated, “Australia continues to rely on significant support from the US and other partners in enabling capabilities such as ... logistics”.<sup>33</sup>

Defence policymakers made other decisions that further indicated the priority assigned to Defence fuel management. The 2010 Defence Capability Plan (DCP) labelled elements of national industry, including supply and storage of aviation fuel, as a “Strategic Industry Capability” (SIC). This meant that the capability was of “strategic importance” to Defence, and this designation was said to offer longer-term procurement stability,<sup>34</sup> although as an unfunded policy, the benefit to Defence was limited. Fuel supply and storage was not considered a “Primary Industry Capability” (PIC), which was defined as a more important capability that would “confer an essential strategic advantage by being resident in Australia”.<sup>35</sup> Defence fuel demand was inelastic, with few substitutes for fuel types like jet fuel if energy prices rose. Therefore, aviation fuel supply and storage was declared to be important, but not sufficiently important nor sufficiently affordable to warrant a more extensive indigenous capacity in Australia. With a logistic dependence on coalition partners during expeditionary operations, this SIC was not considered of sufficient importance to be designated a PIC.

---

<sup>32</sup> Commonwealth of Australia, *Energy in Australia 2011* (Canberra: Department of Resources, Energy and Tourism, 2011), p. 18.

<sup>33</sup> Commonwealth of Australia, *Defence White Paper 2013*, p. 29.

<sup>34</sup> Commonwealth of Australia, *Defence Capability Plan 2010-2020*, Public Version (Canberra, Department of Defence, 2010), pp. 16-7.

<sup>35</sup> *Ibid.*, p. 15.

Whilst fuel and logistic capabilities were required to support the exceptional military role, few policymakers considered fuel and logistic capabilities to be exceptional themselves. Defence was prepared to accept fuel supply risk, such as through its preparedness to rely on emergency fuel legislation in the event of a national supply disruption, and the effect of long-term logistic underinvestment was demonstrated during military operations such as INTERFET.<sup>36</sup> The reliance on emergency legislation was not considered of sufficient importance to articulate in any Defence White Paper. Reliable energy supply was a major undeclared assumption, and major disruption was not considered likely by policymakers. This omission demonstrated the incidental influence of national energy management on Defence. Policymakers did not declare the Defence reliance on national energy management decisions, and DRET did not articulate an in-extremis prioritisation for Defence. Indeed, the primary fuel management advice sought by Defence was external, rather than through DRET.<sup>37</sup>

Policymakers consistently articulated the link between national and military energy security, through emergency fuel legislation. However, over time, as the declared priority evolved towards economic growth, the legislation was a politically useful justification to describe the actions that would be taken during a security crisis and an energy supply shock, but with no real expectation that the legislation would need to be enacted for military purposes, particularly given the operational scenarios (and logistic reliance on allies) expected of Defence. The LFEA also implied a level of economic support that was never tested, further sign of the politically expedient use of the legislation.

## **The Evolution from Specific to Generic Energy Insecurity**

Just as the declared priority for emergency fuel legislation in Australia evolved from a military to an economic focus, the broader approach to energy security also evolved. Whilst still discussed regularly by policymakers, there was less focus on specific fuel supply concerns, and an evolution towards a generic declared concern about energy security. The many examples of policymakers highlighting specific fuel supply concerns in the 1930s and 1940s,<sup>38</sup> through until the 1970s,<sup>39</sup> and the regular call for “oil

---

<sup>36</sup> Many commentators analysed Defence’s logistic and fuel supply performance in Timor Leste, and were almost exclusively critical. For example, see B. Breen, *Struggling for Self Reliance: Four Case Studies of Australian Regional Force Projection in the Late 1980s and the 1990s*, Strategic and Defence Studies Centre, Canberra Papers on Strategy and Defence, No. 171 (Canberra: ANU E Press, 2008), pp. 146-7, 160; Australian National Audit Office, *Australian Defence Force Fuel Management*, p. 52.

<sup>37</sup> Defence sought advice and partnership with commercial entities such as the Australian Institute of Petroleum (raised at the Defence Fuel Management Seminar, Royal Military College Duntroon, Canberra, 24 August 2010).

<sup>38</sup> For example, see House of Representatives, *Parliamentary Debates*, 1937, p. 1.

<sup>39</sup> *Australian Energy Policy: A Review* was an example of an energy management document that considered foreign energy supplies “insecure and contracting”, but offered little evidence.

self-sufficiency”,<sup>40</sup> were not replicated from the 1980s. Generic declared concerns came to dominate energy security discourse, with specifics often avoided unless there was a politically expedient reason. A similar trend involving US defense policymakers expediently using the term “energy security” could also be argued.<sup>41</sup>

Since the 1980s, the term energy security was often applied imprecisely. It was regularly associated with reliable energy supply, at “affordable prices”,<sup>42</sup> indicative of an economic focus. Successive governments outlined their desire to improve generic energy security.<sup>43</sup> DRET linked energy security to national security.<sup>44</sup> The 2009 and 2013 Defence White Papers argued that resource scarcity was a potential global problem,<sup>45</sup> but did not detail specific concerns. The 1988 Energy White Paper listed “security of supply” as the most critical energy issue in Australia.<sup>46</sup> The security of electricity distribution was highlighted as a specific risk in the 1980s,<sup>47</sup> however the national integration of electricity distribution was an ongoing task, and there were few major disruptions of electricity supply to Australian consumers. Even significant incidents, such as the 2008 explosion at Varanus Island that reduced Western Australian electricity supply by 35 per cent, were quickly managed.

The generic concerns about energy security arguably created a sense of exaggerated fear that could be exploited when necessary, allowing policymakers to emphasise the importance of niche aspects of energy security. Burke wrote extensively about the role of exaggerated fear in

---

Department of National Development, *Australian Energy Policy: A Review* (Canberra: Australian Government Publishing Service, 1979), pp. 1-2.

<sup>40</sup> This was presented by both major parties. For example, see *Ibid.*, p. 2.

<sup>41</sup> Litvin quoted President Obama as saying, “America’s dependence on oil is one of the most serious threats that our nation has faced.” Other US Presidents have made similar statements. D. Litvin, *Oil, Gas and International Security: Tackling a Self-Fuelling Fire*, Chatham House Briefing Paper (London: Chatham House, March 2009), p. 2.

<sup>42</sup> For example, see Commonwealth of Australia, *Securing Australia’s Energy Future*, p. 116.

<sup>43</sup> For example, Department of Resources and Energy, *Energy 2000*, p. 2, articulated this desire, noting that increased security would require higher government expenditure.

<sup>44</sup> Department of Resources, Energy and Tourism, *Corporate Plan 2009-2013* (Canberra: Commonwealth of Australia, 2009).

<sup>45</sup> Commonwealth of Australia, *Defending Australia in the Asia Pacific Century*, pp. 12, 99; Commonwealth of Australia, *Defence White Paper 2013*, p. 18.

<sup>46</sup> Department of Primary Industries and Energy, *Energy 2000: National Energy Policy Paper* (Canberra: Australian Government Publishing Service, 1988), p. 1. H. Saddler noted that Australian policy traditionally focused on supply, not consumption: H. Saddler, *Energy in Australia: Politics and Economics* (Sydney: George Allen and Unwin, 1981), p. 6.

<sup>47</sup> Forbes discussed the Australian response of vertical disaggregation of the electricity industry to meet this challenge: A. Forbes, ‘Australian Energy Security: The Benefits of Self Sufficiency’, in A. Forbes (ed.), *Asian Energy Security: Regional Cooperation in the Malacca Strait*, Papers in Australian Maritime Affairs, No. 23 (Canberra: Sea Power Centre Australia, 2008), p. 13.



Australia's security policymaking, including the fear of energy insecurity.<sup>48</sup> Indeed, it was argued that government price controls on energy perversely contributed to fear and uncertainty.<sup>49</sup> Trengove and Clarke argued in the 1980s that the "fear of depletion" led to the implementation of specific price control policies in Australia (although there were few examples).<sup>50</sup> Australia's Strategic Culture may also have been a contributing factor to exaggerated fear of energy insecurity.<sup>51</sup>

Coal, gas and uranium, three of the main forms of energy used and produced in Australia, were not insecure, with no historical or predicted threat to their continued exploitation, distribution and consumption.<sup>52</sup> Whilst often left unstated, the term energy security in Australia still implied a reduced reliance on imported oil,<sup>53</sup> the consistent concern of policymakers since World War Two, but fuel supply became a generic energy security issue.

Commentators and advisors still referred specifically to fuel supply concerns. For example, Hurley recommended that Australia actively seek to avoid reliance on imported oil, raising the possibility that Australia could be "energy independent".<sup>54</sup> Whilst there were few historical fuel supply disruptions to Australia, there was a reasonable basis for future concern. A Commonwealth Scientific and Industrial Research Organisation (CSIRO)-led study in 2006 indicated, "The volatility of oil prices tends to retard investment directed to preparatory action that would make Australia more resilient to future price variations".<sup>55</sup> This suggested a lack of preparedness in Australia for fuel price or availability variation. However, commentary such as Hurley's recommendation required a level of Australian Government involvement in national energy management not demonstrated since World War Two.

The evolution to generic energy security discourse meant that it became difficult to determine the energy security measures that policymakers considered most important, and policy inertia was observable. Whilst policymakers regularly argued that energy security was a necessary policy

---

<sup>48</sup> A. Burke, *Fear of Security: Australia's Invasion Anxiety* (Melbourne: Cambridge University Press, 2008), pp. 1-23.

<sup>49</sup> C. Trengove and R. Clarke, 'Australian Energy Markets', in C. Trengove (ed.), *Australian Energy Policies in the 1980s* (Sydney: Allen and Unwin, 1986), p. 13.

<sup>50</sup> *Ibid.*, p. 3.

<sup>51</sup> Burke argued that Australia's identity was one of vulnerability and perpetual opposition to outsiders: Burke, *Fear of Security*, p. 4.

<sup>52</sup> Although deteriorating security of access to natural gas in Australia has been predicted. Department of Resources, Energy and Tourism, *Annual Report 2008-2009*, p. 15.

<sup>53</sup> This was highlighted in Department of Primary Industries and Energy, *Energy 2000: National Energy Policy* (Canberra: Australian Government Publishing Service, 1988) p. 42.

<sup>54</sup> E. Hurley, *Securing Australia's Energy for the Future*, Kokoda Paper no. 10 (Canberra: Kokoda Foundation, 2009), pp. 39-40.

<sup>55</sup> Commonwealth Scientific and Industrial Research Organisation, *The Heat Is On: The Future of Energy in Australia* (Canberra: CSIRO, 2006), p. 9.

objective, and whilst some commentators believed that the Australian Government acted to mitigate energy insecurity,<sup>56</sup> there were few examples of actions taken to meet this imprecise objective. For example, through its proposed Carbon Pollution Reduction Scheme, the Rudd Government designed a staggered carbon emissions reduction plan until 2050, with more difficult reductions required in later years.<sup>57</sup> Saddler argued that although the rhetoric may have reflected a desire to improve energy security, complacency about the indefinite continuation of current energy supply prices and availability dominated.<sup>58</sup> This reflected the tension between Australian society being “more sanguine about energy security than many of the other countries of the Asia-Pacific”,<sup>59</sup> and energy security as an “anxiety-provoking theme”.<sup>60</sup>

This article will discuss two examples of avoidance of specific fuel security issues—the inaction after the release of the National Energy Security Assessment (NESA), and the treatment of global crude oil depletion concerns.

### **AVOIDANCE OF SPECIFIC ENERGY USAGE CONCERNS**

The NESA, produced by DRET in 2009 to fulfil a Rudd Government election promise, summarised energy security considerations for major energy sources produced and consumed in Australia. Whilst criticised for not adopting a worst-case approach,<sup>61</sup> the NESA should logically have informed and led the development of national energy management, for government departments and for other sectors.

Whilst all parts of the Australian economy and society may be affected by energy affordability and security concerns, Defence had many reasons for interest in future trends, such as the long term nature of defence procurement, and the historical importance of fuel in twentieth century conflicts. Defence could reasonably have been expected to demonstrate interest in the NESA prediction of a medium-term decline in oil security.<sup>62</sup> However, the NESA was not used to support further defence (or broader

---

<sup>56</sup> For example, Hurley argued that the Australian Government had made a “decision to address climate change”, and was addressing energy efficiency as a “key objective”. Hurley, *Securing Australia’s Energy for the Future*, p. 10.

<sup>57</sup> Department of Climate Change and Energy Efficiency, *Carbon Pollution Reduction Scheme: Australia’s Low Pollution Future White Paper*, vols 1 and 2 (Canberra: Australian Government, December 2008), p. iv.

<sup>58</sup> Interview with H. Saddler, 24 November 2010.

<sup>59</sup> M. Wesley, ‘Australia-China’, in B. Taylor (ed.), *Australia as an Asia-Pacific Regional Power: Friendships in Flux?* (London: Routledge, 2007), p. 2.

<sup>60</sup> Litvin, *Oil, Gas and International Security*, p. 2.

<sup>61</sup> In an interview on 24 November 2010, H. Saddler argued that the NESA missed addressing the challenges of climate change and oil supply, and relied too heavily on the market to solve policy concerns. The failure of the NESA to provide credible scenarios was considered by Saddler to be another concern.

<sup>62</sup> Department of Resources, Energy and Tourism, *National Energy Security Assessment 2009* (Canberra: Australian Government, April 2009), p. 9.

public) policy development. There was no reference to the NESA within high-level defence policy, including in the 2009 Defence White Paper (which was published later in the same year and even referred to energy security concerns).<sup>63</sup> This could be viewed as an indication of the lack of DRET influence within the Australian Government, but it was indicative of the low level of importance assigned by policymakers to Defence fuel usage.

The publication of the NESA could reasonably be considered a politically opportunistic reference to energy security. The Australian Government did not compel departments to mitigate or consider the implications from the NESA. There was no indication, in the planning or policy of government departments, that the NESA was acted upon or even noted as important. There was no apparent depth of political support for the NESA, or indication that the Rudd or Gillard Governments would compel Defence to consider that estimate. The fact that the NESA was a 2007 election promise, with no follow-up action from the government, suggested that this assessment was used as a political strategy rather than a means to improve energy security.<sup>64</sup>

The NESA made reference to long-term crude oil depletion, identifying it as a potential short to medium term concern. Other national governments and international organisations were demonstrably concerned about the continued reliable supply of cheap fuel. Many commentators argued for the US Department of Defense (DoD) to change its fuel usage due to the risk posed by Peak Oil.<sup>65</sup> Some Australian political and military policymakers shared this concern, however, consistent with the emphasis on generic energy security concerns previously discussed, policymakers did not make long-term fuel supply a major issue for debate.

There were reasons why defence policymakers may reasonably have been expected to demonstrate an interest in long-term oil production limitations and risks. Primarily, over a long period of time, Defence maintained a force structure that was heavily reliant on fuel supply. For example, the basis of the 2013 White Paper was to maintain conventional military capabilities that would deter an attack against Australia.<sup>66</sup> However, Australian policymakers rarely used the term Peak Oil, and this article contends that use of the term was often faddish<sup>67</sup> and politicised, and its credibility was affected by many exaggerated or sensational predictions. This was partly responsible for some defence policymakers avoiding fuel supply risk mitigation.

---

<sup>63</sup> Commonwealth of Australia, *Defending Australia in the Asia Pacific Century*, pp. 16, 39, 43.

<sup>64</sup> Department of Resources, Energy and Tourism, *Annual Report 2008-2009* (Canberra: Commonwealth of Australia, 2009), p. 21.

<sup>65</sup> For example, M. J. Hornitschek, *War Without Oil: A Catalyst for True Transformation*, Occasional Paper No. 56 (Maxwell Air Force Base, Alabama: Centre for Strategy and Technology, Air War College, 17 February 2006), p. 62.

<sup>66</sup> Commonwealth of Australia, *Defence White Paper 2013*, p. 24.

<sup>67</sup> Faddism can be defined as an interest or issue followed widely and briefly, with exaggerated devotion.

In 2007, a Senate Standing Committee analysed future oil availability, focusing on the concept of Peak Oil, and referring to a number of international actors. For example, the Committee examined the International Energy Agency (IEA) prediction of an oil production peak between 2013 and 2037, and the US Energy Information Administration (EIA) prediction of Peak Oil between 2020 and 2050.<sup>68</sup> The EIA, an agency within the US Department of Energy, and the IEA, representing most nations within the Organisation for Economic Cooperation and Development, were credible organisations with privileged access to resource information. However, other prominent participants in the Peak Oil debate demonstrated political opportunism and less credibility. For example, Australian Greens Senator Scott Ludlam raised in Parliament the issue of Peak Oil on many occasions, claiming in 2011 that “credible sources” predicted that Peak Oil had occurred in 2006,<sup>69</sup> an unverifiable claim.

Whilst geological limitations were mostly the focus of Peak Oil predictions, economic and political limitations were also a factor. For example, whilst DRET conferred an assumption that there was a geological limitation to the supply of oil, geopolitical risks and the political stability in oil exporting nations was a declared concern. Curtotti and others, writing for the Australian Bureau of Agricultural and Resource Economics and Sciences, argued that the “world oil market remains the major risk to energy security”, and growing demand in China and India was highlighted extensively. Curtotti and others assessed that energy security risks to Australia would increase over time.<sup>70</sup>

The broad range of predictions, many of which proved inaccurate, and the extreme societal and military changes recommended by some, reduced the credibility of the term Peak Oil. This commentary and these pessimistic predictions indicated faddism, particularly in US defense commentary. For example, Davis outlined his concern for the “decades of persistent conflict” and “international chaos” caused by Peak Oil, with the need to significantly reduce the size of the US DoD “heavy force” such as tanks and aircraft.<sup>71</sup> The broad range of predictions also allowed or encouraged policymakers to avoid reference to the term. Fisher conducted an excellent analysis of the Peak Oil debate in 2008, arguing that many of the alarming Peak Oil claims

---

<sup>68</sup> Senate Standing Committee on Rural and Regional Affairs and Transport, *Australia's Future Oil Supply and Alternative Transport Fuels, Final Report* (Canberra: Australian Government, February 2007), p. x.

<sup>69</sup> Ludlam, *Road Rage: Federal Transport Budget has Australia on Route for Oil Shock*, Media Release, 27 May 2011

<sup>70</sup> R. Curtotti, A. Austin, A. Dickson, L. Hogan and P. Drysdale, ‘A Background Paper on Energy Issues for the 2<sup>nd</sup> East Asia Summit’, Final Report, REPSF Project No. 06/003, Department of Agriculture, Fisheries and Forestry, November 2006, pp. i, vii.

<sup>71</sup> D. Davis, *Running on Empty* (Armed Forces Journal, May 2008)

were false, but that production limitations within the next two decades should be carefully considered.<sup>72</sup>

Therefore, despite the credible concern about reliable and cheap fuel supply, the term Peak Oil became politicised and faddish, debate about Peak Oil was not always rational, and consequently was predominantly ignored by policymakers. Policymakers did not use the term in any defence policy or national energy management documentation, and there was limited political association with the term. For example, in a 2008 interview, Prime Minister Rudd avoided direct questions about Peak Oil and indeed about the potential for long-term concern, declaring any attempt to predict oil supply as a “very murky future”.<sup>73</sup>

The faddism associated with Peak Oil aligned with many other reasons policymakers had to not seek to mitigate oil depletion or price concerns. First, the concept of oil depletion was a long-term issue, and was made a lower priority against other competing demands. In a media release in 2011, Senator Ludlam stated,

The (Australian Government) lack of foresight is stunning ... The age of cheap oil is over. I've been using successive budget estimates hearings to try and detect any sense of urgency, without success so far.<sup>74</sup>

Whilst Senator Ludlam was a keen advocate for mitigation against Peak Oil, his point that policymakers saw oil depletion as a low priority was reasonable. Second, successive Australian governments established an “Ecological Modernisation” (EM) framework for energy consumption,<sup>75</sup> characterising the achievement of competing outcomes as “win-win”. For example, the Gillard Government claimed that its Carbon Tax would benefit both the environment and the economy, but there was significant evidence that the transition of energy storage, distribution and operating systems would have resulted in some groups being disadvantaged. The use of language was important—for example, when change was not desired, the Howard Government described the pursuit of alternative fuels as having the potential to “weaken Australia’s competitiveness, and potentially weaken its energy security position”.<sup>76</sup> Third, Australian consumers rarely faced oil

---

<sup>72</sup> B. Fisher, *Review and Analysis of the Peak Oil Debate* (Virginia, USA: Institute for Defense Analysis, August 2008), pp. 16-24.

<sup>73</sup> Australian Broadcasting Corporation, Kerry O'Brien interviews Kevin Rudd, *The 7.30 Report*, 16 June 2008.

<sup>74</sup> S. Ludlam, *Road Rage: Federal Transport Budget has Australia on Route for Oil Shock*, Media Release, 27 May 2011.

<sup>75</sup> Curren argued that Australia’s energy-intensive economy meant that any attempt to transition to a less energy-intensive structure would require confrontational policies, but Prime Minister Rudd presented a “win-win” outlook for economic growth and environmental protection. G. Curren, ‘Ecological Modernisation and Climate Change in Australia’, *Environmental Politics*, vol. 18, no. 2 (March 2009), p. 202.

<sup>76</sup> Commonwealth of Australia, *Securing Australia’s Energy Future*, p. 22.

supply shortfalls since World War Two, resulting in less perceived pressure on the government to take action.

There were other reasons (in relation to Peak Oil) why policymakers did not take more measures to mitigate Defence fuel supply or price risks. First, the perceived assurance afforded by both the LFEA and the US supply during expected operational contingencies, discussed previously, encouraged inertia. Furthermore, Defence had pressing issues to manage, heavily committed in Timor Leste and the Middle East throughout the twenty-first century, and with expenditure reduction programs such as the Strategic Reform Program to manage. Second, the many different Peak Oil estimates meant that Defence could legitimately question whether the concept was relevant. Key advisers to Defence dismissed the concept. For example, at a 2010 seminar, presenting to Defence, the Australian Institute of Petroleum discussed the success of military hybrid vehicles, reinforced the efficiency of the energy market, argued (fairly) that oil supply had never been a problem in Australia or for Defence, and reinforced the fact that fuel prices were very low in Australia when compared internationally.<sup>77</sup> Third, as a logistic element, fuel was not considered as exceptional as combat capabilities, and therefore fuel issues (including Peak Oil) were not considered an equal priority. Finally, with few employees, the Defence Directorate of Strategic Fuel was not enabled to examine in detail the implications of global oil depletion.

The desire of some lower-ranking Defence officers to mitigate the perceived risk from Peak Oil was not acted upon by policymakers. For example, at the 2010 Defence Fuel Management Seminar in Canberra, numerous Defence presenters displayed concern about the future of Defence energy supply and expenditure. Some predicted that Defence expenditure on fuel was about to rise significantly, were concerned about international insecurity and instability and its effect on Defence expenditure and supply, were concerned about the onset of Peak Oil, and discussed the development of capabilities such as unmanned aircraft to specifically mitigate the risk of rising energy expenditure and insecurity.<sup>78</sup> Leckie argued the lack of Defence preparedness for an onset of Peak Oil.<sup>79</sup> Policymakers did not share this concern.

There was also a lack of credibility, and political opportunism, associated with the extrapolation of some Peak Oil claims and their relevance to military forces. This was particularly the case in the United States. For example, writing for the Center for Naval Analysis, a retired group of senior military officers linked the (reasonable) US DoD requirement for reliable and

---

<sup>77</sup> Department of Defence, Defence Fuel Management Seminar, Royal Military College Duntroon, Canberra, 24 August 2010.

<sup>78</sup> Ibid.

<sup>79</sup> C. Leckie, 'Peak Oil and the Australian Army', *Australian Army Journal*, Summer 2007, pp. 23-5.

affordable energy supply to “the enormous military presence to the Middle East since the 1980s”,<sup>80</sup> an issue of incidental relevance. In Australia, Defence was advised by the Department of Resources and Energy in 1986 to consider renewable energy sources to improve long-term energy security,<sup>81</sup> which Defence did not do, but with no evidence of any likely or obvious impact. In 2007, Richardson highlighted Australia’s growing demand for foreign oil supplies, and its “easily disrupted” supply chains, as a “strategic vulnerability”, linking the lack of military fuel stockpiling as an issue within his article.<sup>82</sup> There was less public analysis of more pertinent factors, such as whether the military forces of potential adversaries would be disadvantaged to a greater extent. Whilst the growing linkage between economic considerations, national security and environmental considerations was reasonable to argue,<sup>83</sup> an issue in one of these domains does not always fit within another.

For a society and a military dependent on oil, the concept of a decline in production could have been expected to elicit policy interest. However, many inaccurate predictions of declining global oil production were made, and “Peak Oil” lost credibility. Australian policymakers rarely used the term, and did not act to mitigate long-term concerns. In contrast to the avoidance of this issue, Offshore Energy Infrastructure (OEI) was a specific issue regularly referred to by policymakers in recent times.

### **THE CONTRAST TO OFFSHORE ENERGY INFRASTRUCTURE**

Through the 2009 and 2013 Defence White Papers, the Rudd and Gillard Governments specifically raised concern about OEI. OEI was important to Australia’s Gross Domestic Product and continued investment in the resources sector. However, OEI was not directly related to Defence fuel security, as the output from OEI was not directly used to support tactical operations. Despite this, many references were made to link the White Papers to this national energy management issue. Defending OEI was directed as a specific task for Defence,<sup>84</sup> with the threat to OEI mentioned many times, whilst the other White Paper tasks were general and non-specific.<sup>85</sup>

The role of Defence in “securing” OEI was questionable. Placing the 2009 White Paper tasks in doubt, a 2012 offshore oil and gas sector inquiry

---

<sup>80</sup> The CNA Corporation, *National Security and the Threat of Climate Change* (Alexandria, Virginia: The CNA Corporation, 2007), p. vii.

<sup>81</sup> Department of Resources and Energy, *Energy 2000: A National Energy Policy Review* (Canberra: Commonwealth of Australia, March 1986), p. 2.

<sup>82</sup> M. Richardson, ‘Australia’s Oil Security’, *Defender*, Winter 2007, pp. 26-7.

<sup>83</sup> Leaver and Ungerer, *A Natural Power*, p. 1.

<sup>84</sup> Commonwealth of Australia, *Defending Australia in the Asia Pacific Century*, pp. 88-9.

<sup>85</sup> For example, the 2009 Defence White Paper listed other tasks such as “establish and maintain sea control and air superiority at key locations in the ADF’s primary operational environment” *Ibid.*

highlighted that Defence was unlikely to be used for the majority of OEI security responses, because the responsibility fell within state and territory jurisdictions except in circumstances where the threat to life was too great for police to manage. The same inquiry also highlighted that no security requirement for OEI or “direction from government as to how such facilities should be secured” was articulated.<sup>86</sup> The 2012 inquiry described the OEI industry as “risk averse”, with a desire to operate in secure offshore environments, and the White Paper references arguably were used to provide a measure of investment confidence to this industry.

With few security threats to OEI in the past, and with the 2012 inquiry highlighting that security for OEI was a relatively new concept for the Australian resources sector,<sup>87</sup> the declared concern about OEI, and the likely relationship between Defence and OEI security, was overemphasised. For example, with terrorism identified as a key OEI security risk, such a threat would only have had a limited capacity to affect a small number of OEI installations. The example used in the inquiry to situate possible terrorist threats to OEI was the Utoya Island massacre in Norway,<sup>88</sup> a tenuous and sensationalised link.

It is reasonable to conclude that there was an overemphasis on the threat to, and security required for, OEI, probably to offer investment confidence to the industry. Moreover, the Australian Government did not follow-up on the declared priority identified in the 2009 White Paper. Defence Minister Smith, in announcing the 2012 force structure review, again highlighted “energy security and security issues associated with expending offshore resource exploitation in our North West and Northern approaches” as a central issue.<sup>89</sup> However, the actual review by Hawke and Smith found that “potential threats to Australia’s resource and energy interests should not be exaggerated”, and circumstances did “not require new permanent bases”.<sup>90</sup> The link between OEI and Defence was an example of a specific energy security issue being used when politically expedient, with successive governments seeking to emphasise investment security or be seen as strong on national security, by defending energy resources that were high national economic priorities. Governments used defence policy to demonstrate a high priority on “securing” the financially important OEI, when few actions were undertaken, planned or even feasible.

With relevance to Defence, the NESA and long term oil supply security assessments raised specific issues that were mostly unaddressed by policymakers. The security of OEI, of less direct relevance to Defence, was

---

<sup>86</sup> Department of Infrastructure and Transport, *Offshore Oil and Gas Resources Sector Security Inquiry* (Canberra: Australian Government, June 2012), pp. 26, 75.

<sup>87</sup> *Ibid.*, p. 1.

<sup>88</sup> *Ibid.*, p. 3.

<sup>89</sup> S. Smith, *Australian Defence Force Posture Review*, Media Release, 22 June 2011, p. 1.

<sup>90</sup> Hawke and Smith, *Australian Defence Force Posture Review*, p. ii.



closely linked and the issue was widely discussed. None of these issues led to significant actions being taken, and were used or avoided in a politically expedient manner. The level of direct political interest coincided with the opportunity for political or economic gain, but was not consistently applied to ensure a higher level of Defence fuel security.

## **Conclusion**

As the immediate post-World War Two link between national and military fuel security issues faded from collective memory, policymakers demonstrated extremes of interest in Defence fuel security, depending on the likely political outcome. Where there was a possible political gain or economic growth outcome, such as in OEI, the emphasis placed on energy security (and the assessment of the risk) was high. Where there was no perceived economic or political benefit, such as in the costly mitigation of long term oil supply risk for Defence, policymakers avoided discussion of the issue, and the low credibility of terms such as Peak Oil allowed policymakers to avoid action. The treatment of the NESA, an election promise that was not subsequently acted upon, was further indication of the political opportunism associated with energy security in Australia.

The evolutionary use of emergency fuel prioritisation legislation, to become a political tool to offer a level of economic certainty to some sectors of the economy, was indicative of the economic growth focus of successive governments, away from the direct interest in military fuel security. The declared reliance on NOSEC and the LFEA for Defence in a liquid fuel emergency, despite the warnings, demonstrated the lower order nature of fuel security, and the rhetoric was inconsistent with the action taken.

The low priority afforded to Defence energy security was further indication that policymakers did not see fuel as a major risk for Defence to meet its expected operational scenarios, typified by coalition operations in Afghanistan and Iraq, where US support was readily available. It was also an indication of fuel management being seen as a less exceptional enabling function for the exceptional military role. The 2012 force structure review recommendations by Hawke and Smith appear to be lost in a long history of unaddressed Defence fuel security warnings.

*Martin White is a serving Australian Army officer. He has undertaken numerous military deployments to Timor Leste, Iraq and Afghanistan. He is currently completing a PhD through La Trobe University, focused on Australian defence policy. [martin.white@defence.gov.au](mailto:martin.white@defence.gov.au).*

---

---

# Drowned by Politics: Australia's Challenges in Managing its Maritime Domain

Derek Woolner

The idea of maritime border protection has been prominent in recent Australian political discourse because of its coincidence with asylum seekers arriving at Australian territories by boat. Yet this construct is misleading. There is no maritime "border" and asylum boats, although the current challenge are not necessarily the most difficult problem faced in managing Australia's maritime domain. This task is shaped by the geographic, legislative and administrative environment, which governs how this management occurs and how emerging challenges are tackled. The resulting arrangements have benefits but also inherent weaknesses at the points of intersection in a system of co-operation and coordination. The influx of asylum boats into Australia's north western waters since 2009 has greatly stressed these arrangements and may have brought them close to breaking point.

Over the past five years a bitter political debate has raged in Australia over the continuing arrival of boats with people claiming refugee status. As the tempo of boat arrivals increased over 2013 the tone of the debate hardened until, towards the end of July, the leader of the Federal Opposition declared that Australia had a "national emergency on our borders".<sup>1</sup> Whether or not this event constitutes an emergency, the concept of boats arriving at a "border" highlights a broad lack of understanding of the nature of Australia's controls over various parts of the waters surrounding the continent and Australia's island possessions.

The term "maritime border protection" or its oft-used simile "maritime border security", is a misnomer supporting a confused understanding of the rights and responsibilities of sovereign nations to manage the waters that start at their coastlines. There is no maritime border in the sense of the definite delineation of national sovereignty at a land border but, instead, a series of gradations of national power across zones that constitute Australia's maritime domain<sup>2</sup> and in total cover an area greater than that of continental Australia. Across this area Australia might have the right to apply the full power of its sovereignty or, with claims over areas of the continental shelf, be able to act against a vessel only with the permission of the relevant government. Therefore, in policing the application Australian laws and

---

<sup>1</sup> L. Metherell, 'Coalition Unveils Military-led Response to "National Emergency"', *PM*, Australian Broadcasting Corporation, 25 July 2013, <<http://www.abc.net.au/pm/content/2013/s3811131.htm>> [Accessed 25 July 2013].

<sup>2</sup> Nevertheless, this article will use the standard nomenclature in places: after all, the body charged with managing the maritime domain is called Border Protection Command (BPC).

regulations in the maritime domain, it is never enough to know what a particular vessel is doing when it crosses a certain geographical point; it is what it may be doing in designated areas that is important.

For Australia this reality is particularly difficult. The management of Australia's maritime domain is continually challenged by the problem of size. Australia's exclusive economic zone (EEZ) is the third largest in the world and Australia is the only country that claims an EEZ based on the Antarctic coastline. The EEZ is an area of diverse economic activity, varied ecology of often global significance and the medium over which most nation's commerce passes. A large body of legislation and regulations, administered by agencies both Commonwealth and State, and frequently involving international entities is required to manage this activity. By its nature this has produced a system for managing the maritime domain that is inherently complex, sometimes cumbersome and carries the risk of breakdown at its many points of intersection.

From its beginnings Australia's attempts to construct the means to meet the challenges of its maritime domain have been hesitant and grudging, with most attempts to enhance the system coming only after the perception of a crisis had forced governments to refocus.<sup>3</sup> As Peter Nixon said when announcing the formation of Coastwatch, the genesis of Australia's system of maritime border protection, "the measures adopted at this stage have been designed to provide a high degree of flexibility without commitments to capital expenditure".<sup>4</sup> Over the last five years the organisation into which Coastwatch has evolved has been severely tested by an influx of asylum boats. Seen as an instrument to deter the approach of these vessels, forces under the control of what is now Border Protection Command appeared to have come close to exhaustion in an operation that has largely consumed the focus of management of the maritime domain, to the sometime severe detriment of other tasks.

### **Problems of Size I: Australia's Maritime Domain**

The Australian coastline stretches for 37,000 kilometres. There are 12,000 land features lying within Australian waters and their shores extend the coastline to 60,000 kilometres.<sup>5</sup> Australia's maritime domain stretches out to sea in an Exclusive Economic Zone (EEZ) from the continental and island shores to a distance of 200 nautical miles. Resource zones extend beyond the EEZ to reserve Australia's rights over resources on and under the seabed of the continental shelf. Australia claims more than 40 per cent of the Antarctic mainland, making it the major claimant to Antarctic territory and

---

<sup>3</sup> I provide a history of these developments in: D. Woolner, 'The Governance of Security in Australia's Maritime Domain', *Strategic Challenges*, vol. 7, no. 2 (Winter 2011), pp. 61-9.

<sup>4</sup> P. Nixon, Minister for Transport, 'Australian Civil Coastal Surveillance', *Press Statement*, Canberra, 9 July 1978.

<sup>5</sup> B. O'Connor MP, Minister for Home Affairs, 'Speech to the Pacific 2010 International Maritime Museum Exposition', 28 January 2010, p. 2.

on this basis has established a Southern Ocean EEZ, although it is one not recognised by the international community.

Australia's EEZ covers 8.2 million square kilometres, larger than the 7.7 million square kilometres of the Australian land mass.<sup>6</sup> This is the world's third largest, roughly twice the size of, for comparisons sake, that of Indonesia. The EEZ extending from Australia's Antarctic Territories adds 2.2 million square kilometres. In addition, Australia has international obligations for managing search and rescue operations under the Convention for the Safety of Life at Sea (SOLAS) over an area around 12 per cent of the earth's surface. In this area the International Maritime Organisation allocates to Australia, as the security forces authority, the responsibility to react to maritime security incidents.

The size of the domain hints at the vast distances it encompasses. Australian islands extend the nation's maritime jurisdiction deep into the Pacific, Indian and Southern Oceans and the Tasman, Coral, Timor and Arafura seas. Christmas Island is 1500 nautical miles west of Darwin and the Ashmore and Cartier reefs are around 450 nautical miles west of Darwin. Both lie only 200 nautical miles from the nearest Indonesian territory but to the east Indonesian is closer, with the border of Papua only 100 nautical miles from the Torres Strait island of Boigu. The sub-Antarctic island territories (Australian possessions and not dependant on Australia's Antarctic EEZ claim) are yet more distant than the Indian Ocean territories. The Heard and McDonald Islands, for instance, lie 2200 nautical miles south-west of Perth.

The geographic enormity of Australia's maritime domain covers virtually all of the range of maritime environmental conditions. These include the dangerously stormy, ice prone waters off Antarctica to calmer tropical waters that nonetheless experience seasonal cyclones and may be subject to enormous tidal ranges. These conditions have significant implications for the type of operations conducted by, and the nature of the equipment of, the agencies concerned with Australia's maritime domain.

### **A CONSTRAINT ON KNOWLEDGE**

The most significant consequence of the vastness of Australia's maritime domain is that it renders impossible a perfect knowledge of what occurs there. Even in more confined areas of specific interest, full awareness is an illusive goal. The north and north-west approaches to the continent, that are the focus of surveillance for asylum seeker boats, cover around 2.85 million km<sup>2</sup>. A sortie by one of the DASH 8 surveillance aircraft contracted to the

---

<sup>6</sup> Vice Admiral R. Griggs, Chief of Navy, Keynote Address to Border Security Conference—The Royal Australian Navy and Border Security, 21 May 2012, <<http://www.navy.gov.au/sites/default/files/documents/CN%20Border%20Security%20Conference%20Speech%20-%2021May2012.pdf>> [Accessed 30 May 2012], p. 8.

Australian Customs and Border Protection Service (ACBPS) will observe around 75,000 km<sup>2</sup>,<sup>7</sup> 2.6 per cent of the northern approaches. In the professional opinion of the Chief of Navy, technology will not overcome the sheer size of the task and its inherent practical problems, particularly not any

God-like eye in the sky which has perfect vision and perfect knowledge.  
There isn't and I do not think that there ever will be.<sup>8</sup>

The Auditor General in 2000 calculated one aspect of the practical difficulty imposed by this geographic reality; the aerial surveillance assets available to Coastwatch (the predecessor of Border Protection Command) were adequate to overpass any fixed spot on the mainland shoreline or the EEZ only once in every twelve days.<sup>9</sup> Many craft typical of the region to Australia's north could cross the EEZ in less than a day. The hours flown on surveillance and the effectiveness of the systems utilised has increased over the last thirteen years but only enough to marginally alter the equation. The only way to manage security risks in the maritime domain remains the evaluation of intelligence to concentrate resources in areas assessed according to risk of the breaching of Australian law or the compromising of Australian interests.

#### **THE DEMANDS OF ACTIVITIES WITHIN AUSTRALIA'S MARITIME DOMAIN**

Australia's interests in its maritime domain range through strategic, political, economic and environmental issues<sup>10</sup> and their management must interface with a wide range of commercial and traditional activities. All of these factors can often attach to a single interest. The UN Convention on the Law of the Sea (UNCLOS) does not merely define ocean boundaries. It creates a legal regime whereby a claimant nation can control its domain, such as in directing mineral resource activities on the seabed. However, it also places obligations on claimant nations for managing their claims, including safeguarding the marine environment.

The management of commercial fisheries is a prime example of the maritime domain carrying both responsibility and benefit. The Australian Fishing Zone is coextensive with the EEZ and is the world's third largest such zone. Fisheries activity within the zone is regulated by the Australian Fisheries Management Authority (AFMA) with responsibility for setting and regulating

---

<sup>7</sup> Ibid., p. 9.

<sup>8</sup> Ibid.

<sup>9</sup> The Auditor General, *Coastwatch Australian Customs Service*, Audit Report No. 38 1999-2000, Australian National Audit Office, April 2000, <<http://www.anao.gov.au/Publications/Audit-Reports/1999-2000/Coastwatch>> [Accessed 30 May 2013], p. 79.

<sup>10</sup> S. Bateman and A. Bergin, *Sea Change: Advancing Australia's Ocean Interests* (Canberra: Australian Strategic Policy Institute, 2009), p. 26. This paper in the ASPI 'Strategy' series remains the most recent review of the nature of Australia's maritime domain and the issues that are important in its management. It identifies areas where underperformance against policy goals has become significant and contains comprehensive recommendations for an improved management regime to overcome these problems.

catch limits. In 2010-11 the gross value of Australian fisheries was \$2.23 billion and they were estimated to employ over 100,000 people, directly and in activities such as processing, transport, wholesale and retail, and restaurants.<sup>11</sup> Australia's Antarctic EEZ contains fisheries of commercial value and, in common with the continental EEZ has been declared a sanctuary for the protection of whales and dolphins under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999*.<sup>12</sup>

Shipping movements are extensive throughout Australia's maritime domain. Torres Strait is one of the world's major shipping transit points and large numbers of recreational craft navigate the coastline. In 2010-11 Australian ports handled 1077 million tonnes of cargo worth \$383.5 billion, carried in 4315 cargo vessels. Shipping carries some 99 per cent of Australia's international trade, an activity that grew by an annual average of 6.2 per cent over the five years to June 2011. Importantly, exports represented 81.8 per cent of the total, with their value growing at an annual average of 10.7 per cent over the five year period, effectively a rate twice the corresponding increase in the value of imports.<sup>13</sup> The mechanisms of Australia's increasing wealth can be seen in the merchant vessels transiting the country's maritime domain.

The offshore oil and gas industry, based around some seventy platforms located at sites in Bass Strait and off the north-west coast, provides an example of the complexity of the security issues that can be associated with activities in the maritime domain. The industry exported \$25.3 billion worth of product in 2010-11 and supported around 20,000 jobs.<sup>14</sup> The type of LNG (liquid natural gas) projects currently being developed on the north-west

---

<sup>11</sup> Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES), *Australian Fisheries Statistics 2011*, December 2012, <[http://adl.brs.gov.au/data/warehouse/9aam/afstad9aamd003/2011/AustFishStats\\_2011\\_v1.1.0.pdf](http://adl.brs.gov.au/data/warehouse/9aam/afstad9aamd003/2011/AustFishStats_2011_v1.1.0.pdf)> [Accessed 14 January 2013], pp. 1, 2, 39; The Auditor-General, *Administration of the Domestic Fishing Compliance Program*, Audit Report No. 20 2012-13, Australian National Audit Office, Canberra, 5 February 2013, <<http://www.anao.gov.au/Publications/Audit-Reports/2012-2013/Administration-of-the-Domestic-Fishing-Compliance-Program>> [Accessed 2 June 2013], p. 14.

<sup>12</sup> Department of the Environment, Water, Heritage and the Arts, 'How is Australia Protecting Whales', <<http://www.environment.gov.au/coasts/species/cetaceans/conservation/index.html>> [Accessed 7 September 2013].

<sup>13</sup> Bureau of Infrastructure, Transport and Regional Economics, *Statistical Report Australian Sea Freight 2010-11* (Canberra: Department of Infrastructure and Transport, October 2012), <[http://www.bitre.gov.au/publications/2012/files/asf\\_2010\\_11.pdf](http://www.bitre.gov.au/publications/2012/files/asf_2010_11.pdf)> [Accessed 2 June 2013] pp. V-VI.

<sup>14</sup> Office of the Inspector of Transport Security, *Offshore Oil and Gas Resources Sector Security Inquiry* (Canberra: Commonwealth of Australia, June 2012), <[http://www.infrastructure.gov.au/transport/security/oits/files/Offshore\\_Oil\\_and\\_Gas\\_Resources\\_Sector\\_Security\\_Inquiry.pdf](http://www.infrastructure.gov.au/transport/security/oits/files/Offshore_Oil_and_Gas_Resources_Sector_Security_Inquiry.pdf)> [Accessed 30 May 2013], p. 61.

shelf are expected to pay \$40 billion in tax and royalties over their life,<sup>15</sup> with Australia likely to become one of the world's two largest producers by 2018.

Yet the blowout of the Montara drilling platform in the Timor Sea in August 2009 demonstrated the environmental and safety risks of these activities. The leak continued for seventy-four days generating a 170 km oil slick that eventually covered 11,000 km<sup>2</sup>. Some of the spill drifted into Indonesian waters, raising complaints from local fishermen. In fact, management of international issues is a standing component of the industry in the Joint Petroleum Development Area, where a complex demarcation agreement with East Timor governs hydrocarbon exploration and extraction in the Timor Sea.

Such potential wealth, often involving floating liquid natural gas processing plants and often closer to coastlines other than those of Australia, not only involves such international agreements but has often invoked security concerns. Indeed, one of the changes in the governance of maritime border protection, which saw the Joint Offshore Protection Command established in March 2005, was prompted by a concern that security against terrorist threats to the offshore oil and gas industry should be paid more attention.<sup>16</sup>

Whatever the probability of such threats, the safety of navigation through areas of marine petroleum activity has long been an issue. Nearly forty years ago the Royal Australian Navy (RAN) began routine surveillance in Bass Strait to ensure commercial shipping remained clear of the safety zones of the rigs. The RAN commenced a similar regular patrolling presence around the commercial petroleum fields of the north west in 2010.<sup>17</sup>

That presence will have to be sustained and expanded as resources activity on and off Australia's western coast increases. The number of LNG vessels transiting Australian waters will probably quadruple under current projections. Once investment projects enter production phase iron ore transport, together with LNG, should triple total shipping traffic on the North West Shelf and Timor Sea. Total exports of around 1 billion tonnes from Western Australian iron-ore ports and the expansion of general shipping to support the growth of the west's resources industries will add to this increase in shipping transiting near offshore oil and gas infrastructure.<sup>18</sup>

---

<sup>15</sup> *Ibid.*, p. 63.

<sup>16</sup> Woolner, 'The Governance of Security in Australia's Maritime Domain', p. 66.

<sup>17</sup> Griggs, Keynote Address to Border Security Conference—The Royal Australian Navy and Border Security, p. 11.

<sup>18</sup> Office of the Inspector of Transport Security, *Offshore Oil and Gas Resources Sector Security Inquiry*, p. 64.



## **Problems of Size II: Legal and Administrative Complexity**

Management of activities in Australia's maritime domain is as much dominated by the complexity of the legislative and administrative arrangements that confer authority over, as it is by the physical geography of, the domain. International recognition of Australian authority derives from the provisions of the UN Convention on the Law of the Sea (UNCLOS), signed by Australia in 1982 and ratified in 1994. UNCLOS prescribes a regime where a nation has differing powers within five defined zones that are positioned in reference to a baseline, which is normally the coastal low water mark.

In its territorial sea (12 nautical miles seaward from the baseline) a nation has full sovereignty but foreign vessels still have the right of innocent passage. The contiguous zone extends a further 12 nautical miles and here a nation may enforce its legislation covering customs, immigration, financial and environmental matters. Within the 200 nautical mile EEZ a state has power over all natural resources, living or otherwise and, for the purpose of regulating fisheries, the EEZ becomes the Australian Fishing Zone (AFZ). Under UNCLOS the definition of the continental shelf is complex and claims to rights in this zone must be submitted to a commission. If these claims are recognised, the claimant nation has control over resources on or beneath the seabed. Nothing above the seabed is under the claimant nation's control. Remaining (and now a circumscribed area following the spread of the UNCLOS regime) is the high seas, where a nation generally has power over only its own citizens, vessels and aircraft.<sup>19</sup>

Australia's executive and enforcement powers over its maritime domain have been incorporated in a wide range of legislation, sometimes in concurrence with international agreements. Commonwealth powers have rested on around thirty-five separate Acts, not all entirely compatible. Within the territorial sea, legislation includes that of the States and Northern Territory, as these jurisdictions have rights to sea and seabed resources in an area up to three nautical miles from the baseline. Altogether, oversight and enforcement of laws and regulations in the maritime domain can involve a wide range of local, national and international agencies.

As an example, concern in the early years of the twenty first century over the widening reach of trans-national terrorism led to agreement in the International Maritime Organisation (IMO) on the International Ship and Port Facility Security Code (ISPS) that was then attached as an amendment to the SOLAS Convention. Matters related to the IMO are the concern of the Department of Infrastructure and Transport (DIT), which thereby gained

---

<sup>19</sup> *Ibid.*, p. 23ff provides a thorough but not too legalistic summation of the legal framework of Australian maritime border protection.

responsibility for administering the *Maritime Transport Security Act 2003*, focused primarily on shipping and ports.

In 2005, as part of the focus on terrorism that led to the naming of the Joint Offshore Protection Command, the legislation became the *Maritime Transport and Offshore Facilities Security Act 2003*, providing the authority for security planning for offshore oil and gas facilities. Nonetheless, aspects of the security of offshore petroleum operations are sufficiently dispersed for the Office of the Inspector of Transport Security to consult seven Commonwealth agencies and State and Territory police forces<sup>20</sup> in preparing the *Offshore Oil and Gas Resources Sector Security Inquiry*.

In 2009 the Attorney General's Department began work on a recommendation of the Review of Homeland and Border Security, that the legal framework for maritime enforcement be streamlined. The Maritime Powers Bill was introduced in 2012 consolidating, in conjunction with a consequential amendments bill, the provisions of five Commonwealth Acts with regard to offshore powers.<sup>21</sup> The bill became law in March 2013.

#### **OF ACRONYMS AND COORDINATION**

Yet it is not the diffusion of responsibilities for offshore security that most compromises the role of DIT. Despite its legislative authority the Department has no capacity for any role other than policy development and administration. This is not unusual; indeed, the administration of legislation in the maritime domain is usually not associated with the capacity to enforce it. This necessarily falls to the four Commonwealth agencies with marine capability, the Australian Fisheries Management Authority (AFMA) and the Australian Quarantine and Inspection Service (AQIS)—which have operational personnel—and the Australian Customs and Border Protection Service (ACBPS) and the Australian Defence Force (ADF), which have equipment to deploy upon and over the high seas.

Consequently, security operations within the maritime domain are built around consultation, cooperation, coordination and integrated planning between the enforcement authorities and the others, generally referred to as “client” agencies.

In December 2009 Border Protection Command produced a guide to “provide a common reference point on the arrangements to enhance the management of security in Australia’s maritime domain”.<sup>22</sup> This, the

---

<sup>20</sup> *Ibid.*, pp. 67-71.

<sup>21</sup> Australian Parliamentary Library, ‘Maritime Powers Bill 2012’, *Bills Digest*, May 2012, <<http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=ld%3A%22legislation%2Fbillsdgs%2F1738460%22>> [Accessed 12 April 2013].

<sup>22</sup> Border Protection Command, *Guide to Australian Maritime Security Arrangements* (Canberra: Commonwealth of Australia, 2009), <<http://www.bpc.gov.au/webdata/resources/files/GAMSAGuide.pdf>> [Accessed 18 June 2013], p. 3.

“GAMSA”, lists twenty-eight Commonwealth agencies<sup>23</sup> and six generic types of State body<sup>24</sup> that have a role in management or policing of the domain.<sup>25</sup> In addition there are what it terms commercial and non-commercial “stakeholders” whose activities on Australian waters requires that their interests be considered.

To further complicate matters, operational responsibility in the domain may reside with coordinating agencies whose response itself is to coordinate a response. The Australian Maritime Safety Authority (AMSA) is responsible for search and rescue over a large area of the Indian, Pacific and Southern Oceans but has no equipment. Instead it coordinates responses to emergencies through its Rescue Coordination Centre—Australia, directing ADF, ACBPS or commercial vessels to the location of a maritime emergency. AMSA is also responsible for marine environmental protection, developing and managing a national plan to combat maritime pollution. This is itself a cooperative arrangement between AMSA, the States, the Northern Territory and the petroleum, chemical and shipping industries.<sup>26</sup>

This regime of coordination is officially referred to as a “whole-of-government” approach to maritime border protection. On occasions of particular threat to the border this approach has manifested in packages of multi-agency, multi-million dollar responses intended to address the problems comprehensively. In 2005-06 broadly based initiatives costing \$145 million (and \$389 million the following year) were funded to counter an upturn in illegal fishing in the north west sector of the AFZ.<sup>27</sup> Measures ranged from burning confiscated fishing boats at sea under quarantine regulations to AusAid programs to support income diversification amongst Indonesian fishing communities. Joint Australian-Indonesian patrols along the edge of the AFZ began in October 2007 and foreign fishing activity returned to normal levels during 2007-08.<sup>28</sup>

This approach looked so promising that it was structurally developed in the Review of Homeland and Border Security in 2008, which rebadged Customs as the Australian Customs and Border Protection Service (ACBPS).<sup>29</sup> ACBPS was nominated the single point of accountability for the

---

<sup>23</sup> Ibid., pp. 15-9.

<sup>24</sup> Ibid., pp. 19-20. The formal names of these agencies and their designated responsibilities vary from State to State.

<sup>25</sup> A list of the more important government agencies is given at Ibid., Appendix 1.

<sup>26</sup> Australian Maritime Safety Authority, ‘About the Australian Maritime Safety Authority’, 2012, <[www.amsa.gov.au/about\\_amsa/index.asp](http://www.amsa.gov.au/about_amsa/index.asp)> [Accessed 5 September 2013].

<sup>27</sup> Woolner, ‘The Governance of Security in Australia’s Maritime Domain’, p. 66.

<sup>28</sup> D. Woolner, *Policing Our Ocean Domain: Establishing an Australian Coastguard* (Canberra: Australian Strategic Policy Institute, 2008), p. 14.

<sup>29</sup> R. Smith, ‘Summary and Conclusions’, *Report of the Review of Homeland and Border Security* (declassified version), Canberra, December 2008, p. 6.

Commonwealth's activities to combat people smuggling<sup>30</sup> including coordinating Department of Immigration and Citizenship and Australian Federal Police personnel posted inside source and transit countries of irregular migration.

When the numbers of boats carrying asylum seekers into the immigration zone<sup>31</sup> of the Australian EEZ began to increase in 2009 the practiced whole-of-government response was reactivated. The May 2009 Budget provided \$654 million for a coordinated multi-agency program with most of the operational initiatives focused on activities in source and transit countries.<sup>32</sup> However, the increase in boat numbers over the succeeding four years demonstrated that the whole-of-government coordinated initiative is not the answer to all challenges to maritime border security.

### **WHEN COORDINATION FAILS**

At the fundamental level of operations in the maritime domain, coordination is not only a management issue but one with demonstrable life and death outcomes. When SIEV 221 was shipwrecked on Christmas Island in December 2010 both HMAS *Pirie* and ACV *Triton* reached the site and dispatched tenders to pull victims from the water. Unfortunately, the tenders were forced back to the parent vessels for repairs as their propulsion systems became fouled amongst the debris, thus "introduc[ing] delays to recovering survivors from the water".<sup>33</sup>

This was a failure of neither crew nor equipment. The tenders were operating beyond their design limitations in the cyclonic conditions and the rescue was dependent on the courage and skill of their crews. The ACBPS review of the incident conceded the tenders' propulsion systems were not ideal for the conditions but observed that they would not have been selected for that purpose since Search and Rescue (SAR) operations in elevated sea states was not a primary function of the RAN or ACBPS.<sup>34</sup> The problem is that SAR is the responsibility of AMSA, which has no seagoing capacity of its own, whilst the RAN and ACBPS, which have the seagoing capacity, are under no obligation to ensure that they acquire equipment needed for SAR in difficult conditions.

This revolving conundrum was not unforeseen. The Smith review of homeland and border security identified three areas of maritime border

---

<sup>30</sup> K. Rudd MP, *The First National Security Statement to the Australian Parliament*, 4 December 2008, p. 12.

<sup>31</sup> The Immigration Zone is the application of Australian immigration law in the Contiguous Zone.

<sup>32</sup> Woolner, 'The Governance of Security in Australia's Maritime Domain', p. 68.

<sup>33</sup> Australian Customs and Border Protection Service, *SIEV 221 Internal Review* (Canberra: Commonwealth of Australia, January 2011), <<http://www.customs.gov.au/webdata/resources/files/110124CustomsInternalReview.pdf>> [Accessed 8 February 2011], p. 41.

<sup>34</sup> *Ibid.*

security that could be improved, with one of them being the better integration of SAR and other operational functions.<sup>35</sup>

At about the same time, the ability to sustain coordination of the Commonwealth's interests in the maritime domain came under question. In late 2005, the Department of Prime Minister and Cabinet (PM&C) concluded that the then existing arrangements did not fully meet the requirements for managing the maritime domain.<sup>36</sup> Coordination was sometimes inadequate and, to overcome this limitation, PM&C established the Strategic Maritime Management Committee (SMMC) to assess developments in the domain and recommend options to government.<sup>37</sup> The success of the policies deployed against illegal fishing owed much to the role of the SMMC.

However, in March 2009 the SMMC was charged with an altered role<sup>38</sup> following an internal PM&C restructure. Although the SMMC was still the body nominated for coordination and evaluation of the fisheries package the revised committee was removed from its management<sup>39</sup> leaving the individual participating agencies to continue with their components. It took the intervention of the Office of the Auditor General to reveal that some \$500 million was being spent without Ministerial responsibility or overall program leadership to manage and evaluate the package's outcomes.

It is at the points of coordination that Australia's system of maritime border protection is at its most vulnerable, a point that appears to have been accepted by the Coalition parties in the 2013 Federal election.<sup>40</sup> The risk of poor coordination or loss of oversight remains a constant in such an organisational concept and the management structures responsible for the regimes of coordination have to be sufficiently robust to translate coordination into the tangible actions that maritime border protection requires. Otherwise, the risk is that acronyms like AMSA, GAMSA and the rest become the essence of Australia's management of its maritime domain.

### **Problems of Size III: The Australian Customs and Border Protection Service**

Control of the operational aspects of Australian maritime border protection has been a responsibility of the Australian Customs Service since 1988. At

---

<sup>35</sup> Smith, 'Summary and Conclusions', p. 6. The other areas needing attention were streamlining the legal framework for maritime enforcement and improving budget information. As discussed above, the former has now been addressed but ACBPS' Portfolio Budget Statements remain elusively opaque.

<sup>36</sup> Australian National Audit Office, *Illegal Foreign Fishing in Australia's Northern Waters*, Audit Report No. 23 2009-10, Canberra, February 2010. <[http://www.anao.gov.au/uploads/documents/2009-10\\_Audit\\_Report\\_No.23.pdf](http://www.anao.gov.au/uploads/documents/2009-10_Audit_Report_No.23.pdf)> [Accessed 22 March 2010], p. 48.

<sup>37</sup> *Ibid.*, p. 30.

<sup>38</sup> Border Protection Command, *Guide to Australian Maritime Security Arrangements*, p. 3, fn.

<sup>39</sup> *Ibid.*, pp. 46-7.

<sup>40</sup> See below, p. 84.

that time the organisation charged with managing surveillance of, and enforcing legislation within, the maritime domain was known as Coastwatch. After several evolutions of policy Coastwatch has become Border Protection Command (BPC), and the Customs Service renamed the Australian Customs and Border Protection Service. Although pre-existing arrangements for maritime operations continued following this change of nomenclature, the ACBPS became one of the national intelligence agencies and its Minister, the Minister for Justice, became a member of the National Security Committee of Cabinet.

BPC retains responsibility for managing surveillance of, and legislative enforcement in, the maritime domain. BPC amalgamates and analyses intelligence, undertakes planning for surface, aerial and space-borne surveillance and commands surface operations to intervene in the maritime domain.<sup>41</sup> Client agencies identify the threats and provide the risk assessments that form the basis of BPC planning and operations. A standardised format for risk assessment reporting is used to ensure operational priorities can be determined on agreed evaluations of the consequences of likely risk outcomes. BPC's actions are aimed at countering eight specific security threats to the maritime domain.<sup>42</sup> Listed as headings for Chapters 4 to 11 in the GAMSAs, these are illegal activity, illegal exploitation of natural resources, marine pollution, prohibited imports or exports, irregular maritime arrivals, compromised biosecurity, crime at sea, and maritime terrorism.

The BPC has no equipment of its own and calls on assets controlled by the ADF, ACBPS and occasionally other agencies, for surveillance and response capacity. The Chief of Navy force assigns RAN vessels through the Head Quarters Joint Operational Command (HQJOC) to the operational control of the Commander BPC, as Commander Joint Task Force 639. The RAN has allocated 1800 patrol boat days per annum since the beginning of the maritime surveillance program.<sup>43</sup> In general terms the current commitment translates to the allocation of seven Armidale class patrol boats with another two on short notice to assist.<sup>44</sup> In addition, BPC calls on surveillance from three RAAF AP-3C Orion maritime patrol aircraft, usually

---

<sup>41</sup> Woolner, *Policing Our Ocean Domain*, pp. 8-12. These pages describe the development of the current arrangements for policing the maritime domain and the assets available for the role. The report goes on to discuss the higher level organisation of the maritime policing function and to recommend a revised structure and executive authority for the BPC.

<sup>42</sup> Border Protection Command, *Guide to Australian Maritime Security Arrangements*, p. 13.

<sup>43</sup> This corresponds to roughly half the Armidale patrol boat fleet being assigned to BPC. The allocation of other assets has occurred in response to specific peaks in workload associated with increased people smuggling around 2000 and unlawful foreign fishing around 2005. Woolner, *Policing Our Ocean Domain*, p. 10.

<sup>44</sup> Attorney General's Department, 'Australian Customs and Border Protection Service, Section 1: Agency overview and resource', *Budget 2013-14*, <<http://www.ag.gov.au/Publications/Budgets/Budget2013-14/Documents/PBS%202013-14%20ACBPS.PDF>> [Accessed 8 July 2013], p. 120, footnote 6.

based in Darwin, for a total of 2200 flying hours per annum<sup>45</sup> and on whatever RAN vessels are passing through an area of interest to BPC.

The Commander BPC also directs ACBPS Marine Unit craft, primarily the eight *Bay Class* Australian Customs Vessels (ACV) that provide a total of 2400 sea days per annum. A single dedicated craft provides a year-round presence at the Ashmore Shoals. These are assets of ACBPS Maritime Operations Support Branch, which also manages commercial contracts for vessels to perform specific operational roles, the largest of which are the ACV *Ocean Protector* and ACV *Triton*. They carry Customs officers (and officials of other client agencies) but are crewed by contractor staff and commercially maintained and supported.

The Branch also manages the contract for aerial surveillance, provided by Surveillance Australia Pty Ltd (SAPL) through a \$1 billion contract that was signed in 2005 and extended in 2012 to run until 2021. Under this contract, SAPL provide, operate and crew ten Bombardier Dash 8 aircraft fitted for surveillance operations with a basic contracted performance target of 2500 missions, equating to 15,000 hours surveillance, per annum.<sup>46</sup> The Division also manages contracts for two smaller Reims F406 aircraft based at Cairns and Horn Island for 2000 flying hours and support of two helicopters for up to 1250 hours from Horn Island.<sup>47</sup>

### **A TINY PART OF A MEGA DEPARTMENT**

Whilst the activities of BPC are essential for maintaining Australian jurisdiction over the maritime domain they form only a tiny component of the responsibilities of its parent department. By far the major activity of ACBPS by volume and value is the entry and exit of goods, services and people at the more formal points of entry to Australia, such as harbours and airports. In 2012, 30 million people passed through Australian airports, 2.2 million freight containers arrived at Australian ports and 11 million freight consignments arrived by air.<sup>48</sup> In addition, ACBPS retains responsibility for financially oriented and trade management legislation such as tariffs and anti-dumping measures. Despite decades of economic reform focused on opening the Australian economy to competition by reducing tariff barriers,

---

<sup>45</sup> The Senate, Senate Standing Committee on Legal and Constitutional Affairs Australian Customs and Border Protection Service, Question No. 140, <[http://www.aphref.aph.gov.au/senate-committee-legcon\\_ctte-estimates-sup\\_1213-ag-qon\\_140\\_customs\\_sbe\\_2012.pdf](http://www.aphref.aph.gov.au/senate-committee-legcon_ctte-estimates-sup_1213-ag-qon_140_customs_sbe_2012.pdf)> [Accessed 10 July 2013].

<sup>46</sup> J. Slocombe, 'Protecting Australia's Maritime Borders', *Asia-Pacific Defence Reporter*, vol. 39, no. 2 (March 2013), pp. 16-7.

<sup>47</sup> The Senate, Senate Standing Committee on Legal and Constitutional Affairs Australian Customs and Border Protection Service, Question No. 140.

<sup>48</sup> M. Pezzullo, CEO Speech to the 11<sup>th</sup> Annual National Security Australia Conference, 25 February 2013, <[http://www.customs.gov.au/site/130301transcript\\_NationalSecurityAustraliaConference.asp](http://www.customs.gov.au/site/130301transcript_NationalSecurityAustraliaConference.asp)> [Accessed 9 July 2013], pp. 2-3.

ACBPS is still responsible for collecting over \$7 billion in customs duties each year.<sup>49</sup>

The demands of managing any of these areas can monopolise the attention of senior management. In December 2012 Jason Clare, the Minister for Home Affairs and Justice, demanded root and branch reform of the Service. This remains an ongoing exercise,<sup>50</sup> complicated by media revelations of the corruption of some staff in barrier functions, including smuggling of substances such as narcotics and consequent links with organised crime. It is not surprising, therefore, that the CEO of ACBPS has not mentioned, in any more than passing, the security of the maritime domain or the functions of BPC in any public speech since his appointment.<sup>51</sup>

Nor are the pressures of ACBPS' responsibilities about to ease. Within seven years international air passenger numbers are expected to reach 40 million, freight containers to more than double to 5 million and air consignments to reach 22 million.<sup>52</sup> Travel and trade will become more complex. Trade will increasingly embrace transfer of intellectual property such as, for instance, the delivery of product in-country through 3-D printing. With total staffing having fallen in recent years, ACBPS will have little chance of significantly increasing its 5000 strong numbers to respond to this upsurge, yet cannot afford a drop in performance levels lest the Service be criticised for hampering Australia's economic performance.

In June 2013, the ACBPS published its response to the likely pressures of the future in its *Blueprint for Reform 2013-2018*. Amongst considerable changes, headed by the creation of a Strategic Border Command to control all barrier functions, Border Protection Command is excepted and its role and structure remain unchanged.<sup>53</sup> The only apparent impact of the planned changes on the management of Australia's maritime domain is the grouping of all ACBPS frontline staff working at air and sea ports, and on the maritime domain, into a body named Border Force. As presented, it is not clear whether all Border Force staff will be trained to perform maritime functions or

---

<sup>49</sup> Australian Customs and Border Protection Service, *Annual Report 2011-12* (Canberra: Commonwealth of Australia, 2012), <<http://www.customs.gov.au/site/page4283.asp>> [Accessed 18 July 2013], p. 193.

<sup>50</sup> Australian Customs and Border Protection Service, 'Response to ACLEI Interim Report into Operation Heritage: Integrity and Culture within Customs and Border Protection', Media Statement, 22 June 2013, <[http://www.customs.gov.au/site/130622mediastatement\\_response-ACLEI-interim-report.asp](http://www.customs.gov.au/site/130622mediastatement_response-ACLEI-interim-report.asp)> [Accessed 9 July 2013].

<sup>51</sup> Access to the speeches of ACBPS Chief Executive Officer, M. Pezzullo, can be gained at <<http://www.customs.gov.au/site/page5659.asp>>. Before 2013 Pezzullo was Chief Operating Officer of the ACBPS.

<sup>52</sup> Pezzullo, CEO Speech to the 11<sup>th</sup> Annual National Security Australia Conference, p. 3.

<sup>53</sup> Australian Customs and Border Protection Service, *Blueprint for Reform 2013-2018* (Canberra: Australian Customs and Border Protection Service, June 2013), <<http://www.customs.gov.au/webdata/resources/files/ACBPS-Blueprint-for-Reform-2013-2018.pdf>> [Accessed 7 July 2013], p. 27.



whether, as seems implied, ACBPS sea going personnel will remain as a specialised subgroup within the overall force.<sup>54</sup>

The nomination of ACBPS in 2008 as the single point of accountability for the Commonwealth's activities to combat people smuggling may have created the impression that enforcement of Australian legislation in its maritime domain was a central role in the reorientation of the Service. In fact, in both structure and demand on resources, the maritime domain is a minor focus of the Service. Border Protection Command sits as one of four divisions within ACBPS Border Enforcement program, on an equal footing with Maritime Operations Support Branch. Barrier operations are contained within the Border Management program.<sup>55</sup>

Of ACBPS' 5000 odd staff, approximately 100 are deployed in the headquarters of Border Protection Command, less than the 110 provided by the Defence Forces and department.<sup>56</sup> Including the probably less than 300 ACBPS personnel who are involved in operating the Australian Customs Vessels and providing central office support<sup>57</sup> brings the total involved in managing the maritime domain to less than 7 per cent of ACBPS staffing.

Similarly, the \$342.2 million provided for civil maritime surveillance and response in the ACBPS 2013-14 Budget amounts to little more than 21 per cent of the \$1604.7 million in agency net resourcing to the Service.<sup>58</sup> As with personnel, ACBPS splits the funding resources for maritime operations with the ADF and Defence, although what these total is now difficult to determine.

The Defence Budget regularly incorporates \$10 million as the additional cost of *Operation Resolute*, the arrangement under which the ADF supports maritime border protection. However, this is not the financial value of Defence activities in this area. In the 2008-09 financial year Defence

---

<sup>54</sup> Ibid., p. 32.

<sup>55</sup> The ACBPS organisational chart as at 1 July 2013 can be viewed at <<http://www.customs.gov.au/webdata/resources/files/ACBPSOrgchart1July2013.pdf>> [Accessed in July 2013].

<sup>56</sup> The Senate, Senate Standing Committee on Legal and Constitutional Affairs Australian Customs and Border Protection Service, Question No. 105, hearing of 24 May 2012, <[http://www.aphref.aph.gov.au-senate-committee-legcon\\_ctte-estimates-bud\\_1213-ag-qon\\_105-customs.pdf](http://www.aphref.aph.gov.au-senate-committee-legcon_ctte-estimates-bud_1213-ag-qon_105-customs.pdf)> [Accessed 11 July 2013], Table 1.1: Agency resource statement-Budget estimates for 2013-14 as at Budget May 2013, p. 101 and Table 2.1: Budgeted expenses for Outcome 1, p. 106.

<sup>57</sup> Detailed breakdowns of staffing figures for ACBPS are difficult to find. The figure used here is a very rough approximation based on data in a 2004 report by the Auditor General. This gave figures for NMU staffing of 36—Central office, 2—regional liaison, 198—seagoing crew. In 2005 an additional 36 officers were added to support the operation of machine guns that had been mounted on the ACVs. The Auditor General, Audit Report No. 37 2003-04, National Marine Unit Australian Customs Service, Canberra, 30 March 2004, p. 35.

<sup>58</sup> Commonwealth of Australia, Portfolio Budget Statements 2013-14, Attorney General's Department, Australian Customs and Border Protection Service, <<http://www.ag.gov.au/Publications/Budgets/Budget2013-14/Documents/PBS%202013-14%20ACBPS.PDF>> [Accessed 11 July 2013], p. 101.

contributed services costing \$225.1 million to the maritime operations but ACBPS thereafter stopped reporting this figure.<sup>59</sup> James Brown, of the Lowy Institute, has calculated that a conservative estimate of the cost of this activity to Defence might now be about \$262 million.<sup>60</sup> Yet the actual cost is probably greater. In 2008-09 the cost of maritime operations to ACBPS was only slightly greater than that to Defence, at \$235.8 million. Given both organisations appear to have borne equally the increasing costs that have accompanied asylum boat activity since 2008-09, it seems a reasonable assumption that they are today more or less equal contributors to the cost of offshore border protection.

### **EYES OFF THE BALL**

A consequence of being a small unit within a larger entity is that important requirements of the smaller can be overlooked while the larger goes about its core business. That experience has been repeated since responsibility for maritime border security passed to the Australian Customs Service in 1988. As part of that arrangement, the Director General of (the then) Coastwatch reported directly to the CEO of Customs as head of a semi-autonomous agency within the ACS. This relationship ceased a decade later when Customs sought budgetary savings by abolishing senior positions in Coastwatch. Throughout this decade the effectiveness of Coastwatch aerial surveillance was limited by a long-recognised failure to fit radios that could operate reliably in the tropics.

This neglect ended only when external circumstances prevailed against ACS priorities. In March 1999 landings of Chinese irregular immigrants at Cairns, and more at Nambucca Heads in April forced the establishment of a Prime Minister's Coastal Surveillance Task Force. This recognised that planning of aerial surveillance had moved from standing patrols to intelligence directed operations, yet the available technology was antiquated and intelligence was poor. An earlier report prepared by retired Air Vice Marshall Alan Heggen had found some problems in the way the coastal surveillance arrangements were implemented.<sup>61</sup>

The task force targeted better management of intelligence by recommending establishment of the previously delayed National Surveillance Centre, directed appropriations for improved communications equipment and

---

<sup>59</sup> Commonwealth of Australia, Portfolio Budget Statements 2009-10, Attorney General's Department, Australian Customs and Border Protection Service, 'Table 2.1: Budgeted expenses and resources for Outcome 1', Notes #, <[http://www.ag.gov.au/Publications/Budgets/Budget2009-10/Documents/02\\_07%20PBS%2009\\_10%20Customs\\_web%20Final.pdf](http://www.ag.gov.au/Publications/Budgets/Budget2009-10/Documents/02_07%20PBS%2009_10%20Customs_web%20Final.pdf)> [Accessed 30 August 2013], p. 120.

<sup>60</sup> J. Brown, 'Asylum Seekers: The Cost to Defence', *The Interpreter*, 30 July 2013, <<http://www.lowyinterpreter.org/author/James%20Brown.aspx>> [Accessed 30 August 2012].

<sup>61</sup> A. Heggen, AVM, RAAF (Ret.), *Independent Inquiry into Circumstances Surrounding the Arrival of suspected Illegal Entry Vessels Near Cairns, North Queensland and Nambucca Heads, New South Wales March/April 1999*, Canberra, 30 April 1999.

restored Coastwatch's standing within Customs through a restructure that stands till today, the designation of the position of Director General of Coastwatch (now Border Protection Command) being for an ADF officer with rank equivalent to Rear Admiral.<sup>62</sup>

The practice of ACBPS deferring action on maritime border priorities persists. A feature of the 2005 revision of the aerial surveillance contract was that Surveillance Australia PL would supply a new integrated data system for its DASH 8 aircraft. This, the Surveillance Information Management (SIM) system was installed in late 2008 and provides a capability that cannot be matched by the RAAF's AP-3C maritime patrol aircraft. The SIM integrates surveillance and communications data and provides a direct digital feed to the National Surveillance Centre via satellite. It incorporates a data recording system developed specifically to maintain the evidentiary trail to support legal proceedings against breaches of Australian law in the maritime domain.<sup>63</sup>

Yet, whilst RAN patrol boats can access the data feed from the SIM, none of the Australian Customs Vessels can do so. The Bay class ACVs considerably pre-date the SIM and ACBPS did not refit for the required equipment. In most circumstances the ACVs will have been operating in environments with alternative communications and may have been controlled effectively with instructions passed from the National Surveillance Centre. However, direct reception of SIM data would most probably have assisted in the seven deployments that single ACVs have now made to the Cocos (Keeling) Islands during the non-monsoon season,<sup>64</sup> where many of the refugee boats have sailed to from Sri Lanka, beyond the scope of most of Australia's deployments.

This deficiency will be corrected with the acquisition of the new Cape class ACV, which is fitted with electronic systems capable of accessing the SIM data feeds.<sup>65</sup> The first of class was officially delivered in April 2013, with the last of the eight to enter service in August 2015. That will be the seventh year that the ACPBS will have been paying for a system it can only partially access. I have argued elsewhere that a loss of focus, such as in these instances, is a structural weakness of the current "whole-of-government" coordination model of maritime border protection.<sup>66</sup> The system has

---

<sup>62</sup> The Prime Minister's Coastal Surveillance Task Force (PMTF), *Report*, Canberra, June 1999, pp. 1-10.

<sup>63</sup> Woolner, *Policing Our Ocean Domain*, p. 12.

<sup>64</sup> The Senate, Senate Standing Committee on Legal and Constitutional Affairs Australian Customs and Border Protection Service, Question No. 23, hearing of 16 October 2012, <[http://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Committees?url=legcon\\_ctte/estimates/sup\\_1213/ag/index.htm](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Committees?url=legcon_ctte/estimates/sup_1213/ag/index.htm)> [Accessed 19 July 2013].

<sup>65</sup> Austal, 'First Cape Class Patrol Boat Officially Named', Austal News, 15 March 2013, <<http://www.austal.com/en/media/media-releases/13-03-15/First-Cape-Class-Patrol-Boat-officially-named.aspx>> [Accessed 20 May 2013], p. 12.

<sup>66</sup> Woolner, 'The Governance of Security in Australia's Maritime Domain', p. 72.

procedures adequate to manage a compelling crisis but little to assess the overriding requirements of managing the maritime domain and insuring that optimum solutions are, at the least, given consideration. This has led to arrangements and planning oversights that appear minor but have, in real operational crises, contributed to loss of lives.<sup>67</sup>

### **And Then: The Problems of Insufficient Resources**

The current focus of the leadership of ACBPS on mainstream customs functions is understandable. Yet the constant political focus of the last four years has been on irregular maritime arrivals and the main policy objective driving the morphing of Customs into ACBPS in 2008 was to make the organisation the focus of activities to combat people smuggling.<sup>68</sup> ACBPS might have a legislative responsibility to view the maritime border comprehensively and, as outlined in the first two parts of this article, Australia's interests in its maritime domain might be great in breadth and of concern to a great number of entities. Nonetheless, in terms of political debate and a large stretch of public awareness, maritime border protection has come to be synonymous only with the north-western approaches to the Australian continent and the number of asylum boats traversing them.

The current ACBPS CEO commented at the creation of ACBPS that the new arrangements reflected, "a much more sophisticated understanding of the border", in which the new entity was "no longer simply responsible for on-water interceptions".<sup>69</sup> He was referring to the role of his organisation in coordinating offshore activities to gather intelligence on, and pre-emptively disrupt the implementation of, threats to the integrity of Australia's borders. Yet, in truth, the integrity of those borders is under little threat from asylum boats, nearly all of which sail with the intention of being found, detained and escorted to Australian territory. To facilitate this, nearly all asylum boats sail to the offshore territories of Christmas Island, the Cocos (Keeling) Islands and the Ashmore Shoals. In some areas there was so little necessity in finding these boats that, for instance until the shipwreck of SIEV 221 in December 2010, there was no regular aerial surveillance to the north and north west of Christmas Island.

Nonetheless, whatever sophistication the new arrangements may have had, they have failed to prevent movements of irregular maritime arrivals that have made "on-water interceptions" an overwhelming focus of current maritime border protection. From 2009 to the end of 2012, 541 boats arrived in Australia's maritime immigration zone carrying 31,048 irregular maritime

---

<sup>67</sup> See above, p. 8.

<sup>68</sup> Australian Customs and Border Protection Service, *Annual Report 2008-09*, p. 60.

<sup>69</sup> M. Pezullo, 'The Role of the Australian Customs and Border Protection Service in Securing Australia's Borders: Working with Partners across Traditional Boundaries on Border Risks', Australian Financial Review Defence Conference 2009, 23 September 2009, p. 3.

arrivals.<sup>70</sup> More than half of these (17,202) arrived during 2012 alone<sup>71</sup> and, by 26 July the arrivals for 2013 already had reached 17,075.<sup>72</sup>

One of the consequences of this large but basically unsophisticated challenge to Australia's management of its maritime domain has been the loss of any meaningful ability to operate in the Southern Ocean and in the waters around its Antarctic Territories. When it was first purchased, *ACV Ocean Protector* was contracted to provide 220 patrol days in the Southern Ocean and Antarctic and eighty in northern waters. On a patrol in the Southern Ocean in January 2012 *Ocean Protector* was diverted to receive three Australian anti-whaling activists following government-to-government negotiations. The three were transferred from a Japanese fishing agency vessel to Albany, Western Australia. ACBPS commented that it was one of the few Commonwealth agencies able to conduct operations in the demanding environment of the Southern Ocean.<sup>73</sup>

Yet, as the numbers of asylum boat arrivals increased *Ocean Protector* was diverted to the north to transport irregular maritime arrivals.<sup>74</sup> February 2012 was the last time that Australia had a patrol vessel in the Southern Ocean or Australia's Antarctic EEZ. Since then, Australia's supervision of its southern maritime domain has been limited to data provided by commercial satellite coverage and the reports of a few Australian personnel carried on French Navy patrols.<sup>75</sup> Over the 2012-13 summer, when the largest number of vessels ever assembled by the Sea Shepherd activist group harassed Japanese whalers, Australia had no options for intervention should it become necessary. Neither was there capacity to gather evidence that might have been material in the case against Japanese whaling that Australia was due to bring in the International Court of Justice in the Hague in mid-2013.

The capacity to maintain aerial surveillance of some areas of the maritime domain has also suffered as a result of the pressure arising from the escalating numbers of asylum boat arrivals. Some Dash-8 aircraft under contract to ACBPS were repositioned from Australia's east coast to allow

---

<sup>70</sup> J. Phillips and H. Spinks, *Boat Arrivals in Australia since 1976*, Appendix A: 'Boat arrivals since 1976 by calendar year' (Canberra: Parliamentary Library Parliament of Australia, 2013), <[http://www.aph.gov.au/About\\_Parliament/Parliamentary\\_Departments/Parliamentary\\_Library/pubs/BN/2012-2013/BoatArrivals](http://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/BN/2012-2013/BoatArrivals)> [Accessed 22 July 2013], p. 24. This Parliamentary reference paper is updated on a regular basis, the latest revision being January 2013.

<sup>71</sup> *Ibid.*

<sup>72</sup> M. Baker, 'Snags Hit Manus Building Deadline', *The Canberra Times*, 27 July 2013.

<sup>73</sup> Australian Customs and Border Protection Service, *Annual Report 2011-12*, p. 74.

<sup>74</sup> *Ibid.*, p. 63.

<sup>75</sup> The Senate, Legal and Constitutional Affairs Legislation Committee, Estimates—Attorney General Portfolio, Australian Customs and Border Protection Service, 12 February 2013, <<http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;db=COMMITTEES;id=committees%2Festimate%2Fdca139da-f442-48cb-974a-3b95c2e4a42c%2F0002;query=Id%3A%22committees%2Festimate%2Fdca139da-f442-48cb-974a-3b95c2e4a42c%2F0001%22>> [Accessed 20 July 2013], p. 19.

surveillance of the maritime approaches to the continent's north and north west.<sup>76</sup> Operating Dash-8 surveillance aircraft from Christmas Island during the monsoon season resulted in a period of four months where aerial surveillance in other areas was restricted.<sup>77</sup>

### **A STRUGGLE FOR POLICY DOMINANCE**

To the oft-expressed distress of the Australian polity, around 1000 people have died in the sinking of asylum boats since 2009. Since the deaths of fifty people<sup>78</sup> when SIEV 221 was shipwrecked on the cliffs of Christmas Island in December 2010, protecting the lives of asylum seekers by discouraging them from a risky boat passage to Australian waters has become the justification of the evolving policy stances of both major parties.

Despite their rhetorical variations, these policies largely have been based on deterring the movement of boats into Australian waters, usually through the threat of relocating asylum seekers away from Australia. The first Rudd Government attempted to confine the problem to the Indonesian archipelago in an approach that was ironically dubbed "Rudd's Indonesian solution"<sup>79</sup> but collapsed following the *Oceanic Viking* incident.<sup>80</sup> The Gillard Government sought to introduce, first, a processing centre in East Timor, then, a swap of boat people for refugees in Malaysia who were awaiting relocation. Neither could be implemented and, instead, processing centres at Nauru and Manus Island were re-established following the Report of the Expert Panel on Asylum Seekers.<sup>81</sup>

Throughout the period, the Opposition has continued to advocate a policy of deterrence through revising the elements of the Howard Government's "Pacific Solution". With the Gillard Government coming to adopt most elements of that policy, by 2013 the only significant area of policy difference was the Opposition's commitment to forcing asylum boats to return to Indonesia.

As the number of arrivals increased and the issue of asylum boats remained one of the principle contentions on the eve of an approaching 2013 general

---

<sup>76</sup> Australian Customs and Border Protection Service, *Annual Report 2011-12*, p. 63.

<sup>77</sup> *Ibid.*, p. 69.

<sup>78</sup> *Ibid.*, 'Table 15: Detections of suspected irregular entry vessels and potential irregular immigrants, 2009-10 to 2011-12', note ( c ), p. 68.

<sup>79</sup> Woolner, 'The Governance of Security in Australia's Maritime Domain', p. 68.

<sup>80</sup> This incident is one of the better examples of policy derailing the conduct of operations in the maritime domain. The *Oceanic Viking*, under contract to ACBPS, rescued seventy-eight Sri Lankans whom the government insisted be landed in Indonesia. However, the Sri Lankans refused to cooperate and the ship lay in an Indonesian port for over a month until the Australian Government capitulated to the passengers' demands. Woolner, 'The Governance of Security in Australia's Maritime Domain', pp. 68-9.

<sup>81</sup> Expert Panel on Asylum Seekers, *Report of the Expert Panel on Asylum Seekers* (Canberra: Australian Government, August 2012), <<http://expertpanelonasylumseekers.dpmc.gov.au/report>> [Accessed 28 July 2013].

election, the second Rudd Government implemented a “PNG solution”. All asylum seekers arriving by boat would have their claims processed in Papua New Guinea (PNG), Prime Minister Rudd announced on 19 July, where they would be resettled if their claims for refugee protection were validated.<sup>82</sup> None were to be resettled in Australia. In one of the few gestures in the current debate towards a broader agenda, the government reaffirmed its commitment to a general refugee intake of 20,000 per annum with consideration of an increase to 27,000.

The Opposition responded with more of a plan to implement policy than a development of policy. If elected, the Opposition would establish a task force as *Operation Sovereign Borders*, under the control of a three-star level military commander to coordinate the implementation of Opposition policy,<sup>83</sup> at the centre of which remains forcing boats to return to Indonesia. The plan, which the Opposition costed at \$10 million, did include a new element in the charter of vessels to transfer irregular maritime arrivals from intercepting vessels to shore, although they later announced the cost of this component of the policy as \$40 million.<sup>84</sup>

The functions proposed to be under military coordination in *Operation Sovereign Borders* are already part of the whole-of-government response to people smuggling and are supposed to be coordinated by ACBPS. Perhaps this shows the Opposition views the massive coordination process that is the essence of Australia's management of its maritime domain, and ACBPS' role in it, as less than successful. Such a conclusion would be supported by the arguments raised earlier in this article,<sup>85</sup> which transcend the single issue of asylum boats. If an incoming Coalition government rearranges the management of offshore border protection it will create an opportunity to evaluate the efficacy of an ongoing three-star level military command of an independent Border Protection Command.

### **THE CONSEQUENCES OF CONSTANT ASYLUM BOAT ARRIVALS**

As the figures attest, none of the policies so far implemented have reduced the flow of asylum boats. Neither have these policy positions changed the nature of operations at Australia's maritime borders. Over the last five years this has involved intercepting asylum boats inside the immigration zones around Christmas Island, the Cocos (Keeling) Islands and the Ashmore

---

<sup>82</sup> K. Rudd MP, Prime Minister of Australia, Transcript of Joint Press Conference, Press Office, 19 July 2013, <<http://www.pm.gov.au/press-office/transcript-joint-press-conference-2>> [Accessed 20 July 2013].

<sup>83</sup> B. Loughnane, *The Coalition's Operation Sovereign Borders Policy* (Barton, ACT: B. Loughnane, July 2013), <[http://paweb-static.s3.amazonaws.com/Policies/OperationSovereignBorders\\_Policy.pdf](http://paweb-static.s3.amazonaws.com/Policies/OperationSovereignBorders_Policy.pdf)> [Accessed 26 July 2013].

<sup>84</sup> I. Mcphedran and G. Jones, 'Government Asks Navy to Send Troopship to Manus Island to House Staff, Builders', *News Limited Network*, 25 July 2013, <<http://www.news.com.au/national-news/government-asks-navy-to-send-troopship-to-manus-island-to-house-staff-builders/story-fncynjr2-1226685234197#ixzz2aXCZERpm>> [Accessed 30 July 2013].

<sup>85</sup> See especially, pp. 72-3.

Shoals and ensuring that the arrivals are transported for processing, mainly to the detention centre on Christmas Island. Many of these voyages are over considerable distances. In the 2011-12 financial year there were twenty-nine voyages of 500 nautical miles or more to transfer more than 1500 irregular maritime arrivals to the nearest landfall.<sup>86</sup>

Aerial surveillance has been conducted with rather more attention to covering the north-west coast and maritime approaches, to prevent landings of asylum boats on the Australian mainland.<sup>87</sup> This was because the maritime territories had been excised from the application of Australia's immigration law, denying asylum seekers the ability to apply for a visa, and hence appeal to Australian courts, and allowing their claim to be processed offshore. With the excising of the Australian mainland itself in May 2013, such an operational priority seems no longer required. This will be of benefit since, following the shipwreck of SIEV 221, SAPL's Dash-8 aircraft have been conducting surveillance operations from Christmas Island during the monsoon season, a task that ACBPS notes was challenging because of the difficulty of ensuring aircrew availability.<sup>88</sup>

While officials continue to affirm that the system is meeting the demands placed upon it, the narrative emerging from operations to intercept asylum boats suggests that it is only just managing to do so. It is not surprising that, as the number of arrivals has accelerated during 2013, extra capacity has had to be provided in the form of an RAN frigate and a minehunter.<sup>89</sup>

Competent military forces develop procedures to ensure that their equipment is not used beyond the specified design limits. For the RAN to suffer damage to, or limited availability of, equipment is a sign of demand in excess of normal operations sustained for longer than expected. The entire Armidale patrol boat fleet has been placed under a continuing program that required an additional 330 days assigned to maintenance in 2012,<sup>90</sup> whilst the RAN remained committed to providing agreed levels of support for

---

<sup>86</sup> Australian Customs and Border Protection Service, *Annual Report 2011-12*, 'Table 15: Detections of suspected irregular entry vessels and potential irregular immigrants, 2009-10 to 2011-12', p. 68.

<sup>87</sup> Australian Customs and Border Protection Service, *SIEV 221 Internal Review*, January 2011, <[http://www.customs.gov.au/webdata/resources/files/110124\\_CustomsInternalReview.pdf](http://www.customs.gov.au/webdata/resources/files/110124_CustomsInternalReview.pdf)> [Accessed 9 July 2013], p. 29.

<sup>88</sup> Australian Customs and Border Protection Service, *Annual Report 2011-12*, p. 69.

<sup>89</sup> C. Stewart and P. Taylor, 'Border Patrols at Breaking Point Over Asylum Boats', *The Australian*, 18 July 2013.

<sup>90</sup> R. Griggs, Chief of Navy Speech to the Australian Strategic Policy Institute—Lockheed Martin White Ensign Dinner, 9 May 2013, <[http://www.navy.gov.au/sites/default/files/documents/CN\\_ASPI\\_Lockheed\\_Martin\\_White\\_Ensign\\_Dinner\\_09May2013.pdf](http://www.navy.gov.au/sites/default/files/documents/CN_ASPI_Lockheed_Martin_White_Ensign_Dinner_09May2013.pdf)> [Accessed 26 May 2013], p. 10.



maritime border protection. Consequently, by year's end some 200 urgent defects were still being recorded across the patrol boat fleet.<sup>91</sup>

The hulls of three boats have cracked, another has suffered leaks due to corrosion<sup>92</sup> and davits have caused difficulties as a result of launching the vessels' tenders in sea states beyond that for which they were designed.<sup>93</sup> It was envisaged in the 2009 Defence White Paper that the RAN would move away from patrol boats into a class of multipurpose offshore patrol vessels. However, "to ensure that Defence can continue to provide a patrol capability"<sup>94</sup> the government has decided that it will bring forward the replacement of the *Armidale* class, preferably utilising a proven design.<sup>95</sup> This extraordinarily early replacement program (HMAS *Armidale*, the first of class, was commissioned in 2005) suggests how heavy has been the use of the RAN patrol boats deployed to intercept asylum boats.

The requirement that all irregular maritime arrivals be shipped to Christmas Island for processing is one factor that has contributed to the workload of vessels involved in intercepting asylum boats. The two large ACBPS ships *Triton* and *Ocean Protector*, the latter having a capacity for around 120 passengers, are meant to receive and transport irregular maritime arrivals taken off asylum boats. This is not always possible, especially as the increasing use of the Cocos (Keeling) Islands as a landfall has led to ACV *Triton* being stationed there during the monsoon season. Consequently, patrol craft often carry dangerously large numbers of passengers. On one occasion in December 2012, two ACBPS Bay class patrol boats intercepted an asylum boat that subsequently sank. The patrol boats, which have a rated capacity for sixteen passengers in addition to crew, then had to carry 110 irregular maritime arrivals between them for some 200 to 300 nautical miles to reach Darwin.<sup>96</sup>

---

<sup>91</sup> C. Stewart, 'Patrol Boats Can't Stay Shipshape', *The Australian*, 9 November 2012.

<sup>92</sup> Royal Australian Navy, *On The Record: Response of 31 August 2012 provided to Cameron Stewart at The Australian to questions asked on 29 August 2012*, <<http://www.navy.gov.au/press-release/record-response-31-august-2012-provided-cameron-stewart-australian-questions-asked-29>> [Accessed 26 July 2013].

<sup>93</sup> Australian Customs and Border Protection Service, *SIEV 221 Internal Review*, p. 41.

<sup>94</sup> Commonwealth of Australia, *Defence White Paper 2013* (Canberra: Department of Defence, 2013), p. 84.

<sup>95</sup> S. Smith, MP, Minister for Defence, *2013 Defence White Paper: Capability Overview*, Prime Minister and Minister for Defence, Joint Media Release, 3 May 2013, <<http://www.minister.defence.gov.au/2013/05/03/prime-minister-and-minister-for-defence-joint-media-release-2013-defence-white-paper-capability-overview/>> [Accessed 26 May 2013].

<sup>96</sup> The Senate, Legal and Constitutional Affairs Legislation Committee, Estimates—Attorney General Portfolio, Australian Customs and Border Protection Service, 12 February 2013, <[http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;db=COMMITTEES;id=committee\\_s%2Festimate%2Fdca139da-f442-48cb-974a-3b95c2e4a42c%2F0002;query=id%3A%22committees%2Festimate%2Fdca139da-f442-48cb-974a-3b95c2e4a42c%2F0001%22](http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;db=COMMITTEES;id=committee_s%2Festimate%2Fdca139da-f442-48cb-974a-3b95c2e4a42c%2F0002;query=id%3A%22committees%2Festimate%2Fdca139da-f442-48cb-974a-3b95c2e4a42c%2F0001%22)> [Accessed 20 July 2013], pp. 2-4.

The Armidale class patrol boats were designed with a passenger space to accommodate up to twenty, under security if necessary. However, its use for accommodation has been prohibited since an incident when poisonous gases were vented into the space. Nonetheless, the Armidale class has likewise been used to transport dangerously large numbers of passengers over long distances. An even less desirable form of transport that has been emerging with the increasing death of asylum seekers at sea has been the recovery of corpses. The patrol craft used for border protection have not been designed to isolate the often already putrefying corpses, severely testing crews on the voyage back to land and recently causing the Navy to acquire specialist body recovery systems.<sup>97</sup>

Given all of the above circumstances, it is not surprising that the personnel of the RAN and ACBPS are themselves under considerable stress. As the tempo of arrivals built to around 700 to 800 irregular maritime arrivals a week during June and July, the workload for the comparatively small crew of the Armidale class patrol boats became intense. During a ten day period in early July HMAS *Bathurst* rescued six boats carrying 709 people. The crew of the patrol boat fleet are spending up to 25 per cent above the recommended level for time at sea because of the persistence of high levels of boat arrivals.<sup>98</sup> Exhaustion, together with the emotional distress of rescue at sea, have been reported as increasing the potential for post-traumatic stress amongst crews.<sup>99</sup> The risk of poor morale and health amongst the crew of vessels represents a problem as serious as the state of equipment, given that the ACBPS has reported difficulties in maintaining crew availability on its Bay class vessels.<sup>100</sup>

### **THE SCREWS WORKING LOOSE?**

It seems that the weight of numbers of asylum boats might be approaching a level that reduces the sustainability of this maritime border protection operation. Just how tightly stretched are Australia resources was indicated on 10 June, when ACBPS had to publicly defend its inability to recover bodies from a foundered asylum boat, because of “a range of high priority operations”.<sup>101</sup> Of more concern is that the loss of all on board in this particular sinking could have been avoided had AMSA’s Rescue Coordination Centre (RCC) not delayed authorising a search and rescue operation for a vessel that had been sighted only 28 nautical miles from

---

<sup>97</sup> C. Stewart, ‘Body-recovery Equipment “Will Spare Sailors”’, *The Australian*, 10 August 2013.

<sup>98</sup> C. Stewart, ‘Sailors Forced To Spend Too Much Time at Sea’, *The Australian*, 31 July 2013.

<sup>99</sup> C. Stewart and P. Taylor, ‘Border Patrols at Breaking Point Over Asylum Boats’, *The Australian*, 18 July 2013.

<sup>100</sup> Australian Customs and Border Protection Service, *Annual Report 2011-12*, p. 69.

<sup>101</sup> Australian Customs and Border Protection Service, ‘Search and Rescue Operation West of Christmas Island: Final Update’, Media Statement, 10 June 2013, <[http://www.customs.gov.au/site/130610mediarelease\\_searchandrescue.asp](http://www.customs.gov.au/site/130610mediarelease_searchandrescue.asp)> [Accessed 29 July 2013].

Christmas Island.<sup>102</sup> This performance appears to be part of an emerging pattern.

SIEV 358 sank in mid-2012 with the loss of 104 men after a tardy search and rescue operation, despite some sixteen 'phone calls from the sinking vessel. The West Australian coroner concluded that the lives could have been saved with earlier intervention.<sup>103</sup> AMSA and ACBPS found themselves in an identical situation following another sinking on 12 July, where a baby boy and eight others drowned. Both agencies again denied that there was any difference in their response to SOLAS emergencies involving asylum boats following claims that it was regularly taking up to 24 hours to assist asylum boats in distress.<sup>104</sup> In clear contradiction, shortly afterwards *Fairfax* media obtained documentation under Freedom of Information regulations that confirmed emergencies involving asylum boats were treated with less urgency than other incidents.<sup>105</sup> The pressures created by asylum boats must be extreme if Australia is not fully meeting its responsibilities under the SOLAS Convention.

Over the last twelve years Australian governments have acted with what seems a belief that there is little more to policing Australia's maritime domain than launching a windup rubber ducky. Operation Relax, launched after the *Tampa* incident 2001, set the pattern of calling on naval forces to overcome irregular maritime arrivals. The reflex continues, visible in HMAS *Choules* (an amphibious transport recently purchased from Great Britain for \$100 million) being diverted from its naval duties to lie off Manus Island and assist with expansion of facilities to detain asylum seekers.<sup>106</sup>

In reality, pushing naval equipment too far can contribute to tragedy, when mechanical failure compounds the dangers of difficult circumstances. In April 2009 two Armidale class patrol boats intercepted SIEV 36 but were forced to hold her with a boarding party for fifty hours, whilst faults to the amphibious transport HMAS *Tobruk* were repaired. The situation onboard the asylum boat deteriorated during the delay, with one of the passengers causing an explosion by lighting petrol. Five of his fellows were killed.<sup>107</sup>

---

<sup>102</sup> J. Jarvis, 'Search for 55 Asylum Seekers Abandoned', *AM*, Australian Broadcasting Corporation, 10 June 2013.

<sup>103</sup> N. O'Brien, 'Agency Waited for Boat Debris Before Search', *The Canberra Times*, 28 July 2013.

<sup>104</sup> R. Browne, 'Rescue Services Deny Delay in Boat Aid', *The Canberra Times*, 15 July 2013. The claims were made by P. Curr, campaign coordinator for the Asylum Seeker Resource Centre.

<sup>105</sup> O'Brien, 'Agency Waited for Boat Debris Before Search'.

<sup>106</sup> Mcphedran and Jones, 'Government Asks Navy to Send Troopship to Manus Island to House Staff, Builders'.

<sup>107</sup> For a more detailed discussion of this event see: Woolner, 'The Governance of Security in Australia's Maritime Domain', pp. 77-8.

The deaths of around fifty asylum seekers in the shipwreck of SIEV 221 were, likewise, compounded by mechanical failure. When, after considerable confusion, Adelaide class patrol boat HMAS *Pirie* was finally alerted to the pending disaster, she was halted by engine failure. ACV *Triton*, which was more distant, had to stand in but did not arrive at the scene until the asylum boat had been shipwrecked. The mechanical problems with the propulsion units of both vessels' tenders that further complicated efforts to save lives, was a factor that could have been avoided if *Pirie* had not broken down and had arrived in time to shepherd SIEV 221 to safety.<sup>108</sup>

### **Conclusion: “You Ain’t Heard Nothin’ Yet”<sup>109</sup> (?)**

Having stated in mid-July their ultimate policies to deter asylum boats, both major political parties have continued with adjustments in an attempt to maximise their political advantage.<sup>110</sup> In largely similar ways, both have been seeking an “ultimate solution” to the asylum boat question, a means of stopping asylum boats from attempting to enter Australia’s immigration zone and returning the situation to “normal”.

Yet it is not certain that the threat to domicile proven refugees in PNG will deter others from sailing for Australian waters, even after those first assessed to have genuine claims to refugee protection enter the PNG community. Circumstances will change and, given the effervescence of PNG politics, a future government might be determined to expel refugees settled in PNG. While asylum seekers may give little thought to events in PNG, they may be more seized by the eventual settlement in Australia of those who had spent years in the Pacific island processing camps.<sup>111</sup> If the hope of one day entering Australia from PNG outweighs the discomfort of remaining in Indonesia, there seems little reason why a substantial number of asylum boats will not continue to sail for Australian waters.

Similarly, it seems equally uncertain that an operation to force asylum boats back to Indonesia when “it was safe to do so”, even if directed by a senior ADF officer, would succeed when there are many tactics to ensure that it would seldom be “safe to do so”. In the period following the *Tampa* incident the Howard Government attempted to force eight asylum boats to return to Indonesia. Four did return but the others succeeded in thwarting the

---

<sup>108</sup> Ibid., pp. 74-5.

<sup>109</sup> Al Jolson, in *The Jazz Singer*, introducing a new era with the birth of talking pictures.

<sup>110</sup> See, for instance, E. Griffiths, ‘Government Slams Opposition over “Childish” Nauru Tent City Announcement’, *ABC News*, Australian Broadcasting Corporation, 30 July 2013, <<http://www.abc.net.au/news/2013-07-30/coalition-plans-to-establish-nauru-tent-city-for-asylum-seekers/4851960>> [Accessed 30 July 2013].

<sup>111</sup> Of those irregular maritime rivals whose claims for asylum were processed on Nauru and Manus Islands under the Howard Government’s Pacific solution 70 per cent were found to be refugees and of these 61 per cent came to Australia. Phillips and Spinks, *Boat Arrivals in Australia since 1976*, Appendix A, p. 17.

government's intent.<sup>112</sup> A more vigorous prosecution of the policy might be attempted but that would seem to increase the risk of an incident threatening the welfare or lives of asylum seekers. Not only would this be politically dangerous for the government but, more importantly, might raise questions of the culpability of Australian personnel implementing the policy.

Nor is there any reason to think that the smugglers running a lucrative business in asylum boats would doggedly stick to their current mode of operation. At some extra cost in preparing boats they could exploit the vast stretches to the south and east of their current operating area, as did one boat in May this year. This craft was detected but made landfall in Arnhem Land before it could be intercepted, requiring an operation to track, locate and reposition the irregular maritime arrivals.<sup>113</sup> Such tactics would significantly complicate Australia's task in managing the arrival of asylum boats and the orderly processing of their passengers.

Whatever the strengths of the policies now favoured by Government and Opposition, it seems apparent that they must lead to a significant reduction of arrivals if the current presumption, that Australia can unilaterally deter the boat traffic, is to be sustained. If anything like the rate of arrivals being registered in the middle of 2013 continues, significant reinforcement of maritime capabilities will be required—and in more active roles than the ferries envisaged in the Opposition's *Operation Sovereign Borders*. While it might seem possible to acquire additional vessels over the medium term, supplementing, or in many cases, replacing personnel will be far more difficult.

Even should one or a combination of the current policies succeed in reducing boat numbers in the near future, it seems likely that the problem will return. The political stability and public safety of Afghanistan remains to be tested after NATO's International Security Assistance Force is fully withdrawn in 2014, with a disintegration of the situation likely to produce another wave of refugees. A little further into the future lies the possibility of the emergence of ecological refugees, initially as agriculture becomes unsustainable with rising salt water levels in parts of the Pacific Islands and Bangladesh.

Those responsible for the management of the maritime domain will have to decide whether the current model, that of the crisis management of the largest problem manifesting, is to continue. Further, they will need to decide whether the concentration of resources this requires should continue to be to the detriment or, as has happened with Australia's interests in the Southern Ocean, complete abandonment, of other responsibilities. Again, if a special, centralised organisation is deemed necessary to improve the coordination of

---

<sup>112</sup> Expert Panel on Asylum Seekers, *Report of the Expert Panel on Asylum Seekers*, p. 125.

<sup>113</sup> 'Asylum Seekers Go Bush in Arnhem Land', *Sydney Morning Herald*, 14 May 2013.

agencies to the level needed to deal with the problem of asylum boats, should not structural reform of a system that is always dependant on complex coordination also come under consideration? More fundamentally, governments will have to decide whether it is best policy to use unilateral force to control a long-term problem or whether to put considerably more effort into developing alternatives based on coordinated international action.

Within the span of a decade-and-a-half Australia has experienced extreme challenges to the management of its maritime domain in firstly, the arrival of asylum seekers around the turn of the millennium, secondly a mid-decade expansion of illegal fishing and now thirdly, another and greater tide of asylum boats. If “an emergency” on the maritime border proves to be not a single incident but a recurring normality, it would seem to demand that Australia abandon the original parsimonious ethic that began the processes of managing the maritime domain and allocate considerably more effort and resources. Perhaps the ACBPS is showing the requirements of the future in the acquisition of its new Cape class patrol boats. Although virtually the same length as the Armidale class, on which they are based, they have 30 per cent more internal volume and 33 per cent more range. If current policies fail, there will be little option but to attempt to install additional capacity within an existing system.

*Derek Woolner is a Visiting Fellow at the Strategic and Defence Studies Centre at the Australian National University. He is co-author of The Collins Class Submarine Story: Steel, Spies and Spin, released by Cambridge University Press in April 2008. Derek has written extensively on maritime border control issues, and was Director of the Foreign Affairs, Defence and Trade Group of the Australian Parliament's research and policy advice services until January 2002. Early in his career, Derek was policy adviser to Defence Ministers Lance Barnard and Bill Morrison. [derekwoolner@netspeed.com.au](mailto:derekwoolner@netspeed.com.au).*

---

---

---

## About the Kokoda Foundation

The Kokoda Foundation has been established as an independent, not-for-profit think tank to research and foster innovative thinking on Australia's future security challenges. The foundation's priorities are:

- To conduct quality research on security issues commissioned by public and private sector organisations.
- To foster innovative thinking on Australia's future security challenges.
- To publish quality papers (The Kokoda Papers) on issues relevant to Australia's security challenges.
- To develop Security Challenges as the leading refereed journal in the field.
- To encourage and, where appropriate, mentor a new generation of advanced strategic thinkers.
- Encourage research contributions by current and retired senior officials, academics, business people and others with relevant expertise.

### Membership

The Kokoda Foundation offers corporate, full and student memberships to those with an interest in Australia's future security challenges. Membership provides first-release access to the *Kokoda Papers* and the refereed journal, *Security Challenges*, and invitations to Foundation events. Membership applications can be obtained by calling +61 (0)2 6295 1555 or downloaded from <http://www.kokodafoundation.org/join/join.htm>.