AUSTRALIA'S STRATEGIC PLANNING IN THE 1990s
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Endorsed by Government 27 November 1989
Preface

The Government’s approach is about people working together. This is as true for Defence as for other areas of national activity. The effective defence of this country depends critically on the active involvement and support of the Australian community.

To ensure the ongoing support of the Australian people for our national defence effort, it is important to convey an understanding of Government defence thinking. There is more we can do in this area.

Australia’s Strategic Planning in the 1990s (ASP 90) is a key Government planning document for the defence of this nation. In its classified form, ASP 90 was endorsed by Cabinet in late 1989. Together with the 1987 Defence White Paper - a public document - ASP 90 represents Government guidance for Australia’s defence development.

No previous Government has published the strategic basis series of papers. Release of ASP 90 is an example of the Labor Party’s commitment to more openness in Government.

It is the end of the Cold War that has prompted the Government to release this declassified version. ASP 90 shows that the broad thrust of Australia’s security approach remains appropriate despite the major global changes we have seen.

The regional focus of our defence policy means that events in Europe and elsewhere do not have a direct impact on our strategic planning. Dramatic as the collapse of the Soviet Union or events such as the Gulf War were, they did not change Australia’s immediate security environment.

ASP 90 was conducted after the momentous events in the Soviet Union had begun. It took into account the dramatic improvement in United States-USSR relations. It found no reason to change the fundamental defence approach set out in the 1987 White Paper.

Of course our region is not entirely immune from global developments. Naval deployments to South-East Asia by the Commonwealth of Independent States (the former Soviet Union) have declined greatly. Cam Ranh Bay in Vietnam is no longer an important base for the CIS Navy.

There will also be reductions in the military presence of the United States in the Philippines, Korea and Japan over the 1990s (as part of a more general reduction in US defence capabilities). This is an important change for the region because of the United States’ role as a stabilising force.

Australia has prepared for this well. Labor’s policy of self-reliance in defence, effective regional cooperation and strong alliances leaves us well placed both to provide for our own security and to contribute to the security of our region.
Thus there is no reason to rush into a major overhaul of our defence policy.

The Government’s assessment of Australia’s strategic interests is a continuous process, not one that occurs only when strategic reviews are commissioned.

When a new strategic review is prepared, it will recognise, for example, that security cooperation with regional countries - particularly South-East Asia - and UN peacekeeping tasks are now increasingly prominent defence activities. But the fundamental requirement to plan for the long term defence of Australia - and to base our defence development around this - will not change.

There is now a realisation that Australia can ensure its own security. This is an historic development. It will have far reaching effects on our international outlook. Under this Government, we are already seeing a more independent and confident national approach.

The deletions needed for this unclassified version are modest in terms of the total length of the document. All governments have a requirement for some detailed assessments of their security environment. These aspects of ASP 90 will remain classified.

Finally, I would stress that this is a 1989 document and should be read as such. Comments on, for example, the Cambodian civil war and the United States/Philippines bases negotiations can now be viewed with the benefit of several years’ hindsight.

We must always distinguish, however, between the ephemera of current events and the underlying factors that drive our defence approach. In this respect, ASP 90 stands up well to the test of time.

ROBERT RAY
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Canberra
September 1992
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1. STRATEGY IN A CHANGING WORLD

1.1 Government last considered a comprehensive review of Australia's strategic planning basis in 1983. Since then, there have been major strategic changes at both the global and regional levels. Furthermore, Australia is now in the middle of major defence acquisitions, with new front-line aircraft, submarines and frigates, and intelligence and warning systems, costing some $25 billion over the coming decade. And we are reorientating our force structure better to deal with defence contingencies in our north.

1.2 Because defence attracts such a significant part of the nation's human and financial resources, it is essential that national defence planning proceed in a comprehensive, coherent and disciplined way. Accordingly, this document establishes the planning priorities which will shape our national defence effort during the 1990s.

Global Change

1.3 Relations between the US and the Soviet Union are changing dramatically. Gorbachev has recognised the need for change in the Soviet Union and in its international behaviour. The Cold War has given way to a period of strategic accommodation between the superpowers. Gorbachev's initiatives to redirect Soviet national security policy offer the prospect of the Soviet leadership reshaping its traditional adversarial relationship with the West. If Gorbachev's policies succeed, it is likely that the Soviet challenge will continue to take a less hostile form than in the past. If they fail, the Soviet leadership could revert to the self-absorption that characterised the Brezhnev period, or, less likely, to Great Russian xenophobia.

1.4 Soviet tactics for dealing with the West have clearly changed. Soviet defence strategy and objectives may also be in transition. Such trends imply a gradual but fundamental change from offensively postured, numerically superior military forces to an emphasis on defensive sufficiency. These trends are beginning to be reflected in changes to the Soviet force structure. So East-West tensions may decline in a lasting way. But competition will of course continue - including in the Pacific, where the Soviet Union seeks to be seen as cooperative rather than antagonistic.

1.5 Australia can exert little direct influence over the US-Soviet relationship, yet our interests will always be affected by changes within it. Indeed, as the relationship between the superpowers evolves, it is all the more important that we contribute to the maintenance of global strategic stability. Our involvement in strategic early warning and international arms
control monitoring through the Australia-US Joint Facilities helps reduce the threat of nuclear war. Our alliance with the US thus contributes substantially to the security of the Western community, and so to the security of our region.

Regional Change

1.6 Change in the familiar global order will mean greater strategic uncertainty elsewhere, including in Australia's region. A generally safer world does not necessarily mean a more tranquil region.

1.7 Notwithstanding considerable economic progress and a strengthening of political institutions within our region, the trends have not been uniformly favourable.

- In the South Pacific, developments in Fiji and Papua New Guinea have highlighted the potential for rapidly emerging strategic problems in our immediate neighbourhood.

- In South-East Asia, internal problems are currently most evident in Cambodia and the Philippines. But things could also go wrong elsewhere in the region, resulting in inadequate leaderships which, unable to solve existing problems, create new ones both for their own countries and for others.

- The recent events in China emphasise the tensions that can arise in an authoritarian state seeking economic modernisation. Regional countries were reminded of China's importance in regional strategic affairs.

1.8 In addition, we are seeing the emergence of India as a regional power. The prospect that competition between India and Pakistan and China could lead to further nuclear proliferation in South Asia is a concern for all countries of the region, including Australia.

Strategy

1.9 The process of Australian strategic planning is one of continual revision and adjustment, and objectives set now will inevitably need to accommodate changed circumstances. The strategy described in this document goes beyond the defence of the nation against direct attack to include promotion of our security interests. The term as used here encompasses the nation's defence goals, the principles and priorities for providing the means of achieving them, and the uses to which these defence capabilities should be put, both to defend and promote the nation's security interests.
2. **AUSTRALIA'S STRATEGIC NEIGHBOURHOOD**

2.1 There are two principal factors that underpin Australia's strategic situation. These are the enduring features of our geography and location, and the reality of political, social and economic change within the countries around us.

**Geographic Factors**

2.2 It has long been recognised that Australia's geostrategic position is unique. Less well recognised are the reasons for this, which extend beyond 'the tyranny of distance' to include:

- our physical remoteness from centres of global conflict, as well as from our major allies;
- the absence of common land borders;
- the enormity of our land and ocean spaces;
- our difficult and harsh operating environment, with its variable climatic conditions and scant infrastructure in the more likely operating areas;
- our small population and its ethnic, cultural and political complexion; and
- our economic and military power relative to our neighbours.

2.3 Australia is a bridge between two important but different strategic areas. To our north and north-west is archipelagic and mainland South-East Asia, which is politically, ethnically and culturally diverse. South-East Asia, including Burma (Myanmar) and Indochina, is also densely populated (435 million). To our north-east and east are large expanses of open ocean, broken only by the scattered and small island states of Melanesia, Micronesia and Polynesia. The population of the South Pacific - excluding New Zealand - is very small (5 million). Australia is a key economic and communications centre for the South Pacific, and provides significant educational and technological services. Our pre-eminence in the South Pacific is matched by our long involvement with the nations of South-East Asia.

2.4 On the whole, all these factors work to our strategic advantage. But some of them could be exploited by a potential adversary to our disadvantage. Hence we need to limit as far as possible the scope for such exploitation. How we should do this is spelled out in the following chapters.
Impact of Change

2.5 As was noted in the 1976 White Paper, change does not necessarily mean insecurity. Our immediate strategic environment is constantly changing, and this may often be to our benefit, as we have seen with the rapid economic development and greater political stability of South-East Asia.

2.6 Change becomes a strategic concern when it is uncontrolled, unmanaged, and lacks direction. Societies subject to change are often unable to cope with the impact or pace of change, and this in turn can create opportunities for external powers to meddle. Moreover, change can create unrealistic expectations, and these in turn may lead to negative attitudes towards us.

2.7 Even when it is controlled and directed, change can be of strategic concern when its effects are not in our interests. This has been the case with New Zealand’s changes in alliance policy, which have complicated the management of our own relations with the US.

Papua New Guinea

2.8 Of the countries in Australia’s vicinity, Papua New Guinea is the one of most immediate strategic significance to us and is the one most subject to pressures of change which could have serious implications for our security.

2.9 Politics in Papua New Guinea are likely to remain unpredictable. Parliamentary groupings are loose; personalities and local affiliations are more important than ideology. The key to political events is often in village and local concerns rather than national policy issues. There can be conflict between traditional values and the development of cohesive national institutions.

2.10 Politically and economically, however, Papua New Guinea’s situation is not unpromising. It has abundant natural wealth. Its Parliament will remain the main forum through which its leaders will seek to deal with their country’s complex problems. For the next decade, Australia will need to:

- strengthen the existing consultative arrangements; and
- support the PNGDF in developing its own capacity to meet foreseeable tasks, including internal security.

South Pacific

2.11 The South Pacific island states lack political and economic resources. They will remain dependent on foreign aid, emigration and remittances. Loss of any of these would threaten their stability. Employment will not keep pace with population growth. Indigenous dissatisfaction with colonially derived institutions and Western political culture is likely to grow with generational change. Moreover, unrealistic expectations of economic benefits from exploiting marine resources, together with formidable difficulties in policing extended economic zones, will exacerbate this sense of frustration.

2.12 Communal problems in Fiji will endure, with ongoing tensions arising from political dominance by the ethnic Fijians. Although Australia’s long-term security interests were not directly affected by the 1987 coups, there are consequential developments which we need to monitor. Political isolation from Australia and New Zealand is encouraging Fiji to establish closer links with external countries for political and economic support. There is little prospect that these countries could exploit Fiji’s problems to our disadvantage, but a return to a constructive defence relationship with Fiji would serve our strategic interests.

2.13 Vanuatu, Nauru, Tonga and Solomons Islands also have the potential to engage our defence interests and the Australian Defence Force (ADF) in such activities as protecting Australians in times of serious civil disturbance.

2.14 The present French Government’s policies on New Caledonia enhance the prospects for stability there. Nonetheless, the gap between the aspirations of the two major communities - independence for the Kanaks and integration with France for the Caldoches - remains wide. The lower political temperature in New Caledonia has enabled France to present a more positive face to the Pacific. France is now looking beyond its own territories. Its diplomacy has become less defensive, and more concerned with building closer ties in the region, while remaining intent upon legitimising its presence and its nuclear testing program.
2.15 Domestic instability in particular islands will not of itself change the regional strategic equation. Strategic cohesion in the anglophone South Pacific has mainly been a function of island dependence on Australia and New Zealand, and the broader Western economic and political order.

2.16 Direct military attack on any regional island country is unlikely. Direct foreign subversion is less likely than foreign training or support for disaffected groups or movements in the islands. But the smaller island states are vulnerable to drug and other criminal conspiracies which could destabilise their governments. ADF assistance, if sought, would probably be directed at helping island states counter threats to internal security.

2.17 For the next decade, Australia will need to exercise its power and influence in the South Pacific with both confidence and sensitivity. In the defence field, we should:

- maintain high-level access on strategic matters; and
- continue to undertake cooperative activities which support our interest in South Pacific strategic cohesion.

New Zealand

2.18 While New Zealand will remain a qualified supporter of Western interests through the 1990s, important differences of perception will endure between New Zealand and the Western strategic community.

2.19 The New Zealand Defence Forces are declining in capability. In future defence budgets, the army and air force will take cuts as the naval modernisation program is implemented. Nonetheless, Australia will still be able to cooperate with a contracting New Zealand defence force. With the frigate program in place, a limited blue-water maritime capability will be the core of New Zealand's effort, supported by a ready reaction force.

2.20 For Australia, the task will be to remain strategically engaged with New Zealand while remaining sensitive to New Zealand's self-interest. This will be best achieved through:

- close cooperation between our defence forces;
- effective exchanges at the defence planning and intelligence levels; and
- involving New Zealand in Australian military activities in the South Pacific (e.g. coordinated maritime surveillance).

Indonesia

2.21 Indonesia has undergone significant political, economic and social change in the past 20 years, and has established viable and increasingly strong political institutions. On balance, Indonesia is likely to be politically stable and institutionally cohesive through the period of the presidential succession, though the transition will be a testing time.

2.22 Increasingly, Indonesian approaches to the external world, including to relations with Australia, will be shaped by the succession. The armed forces remain sensitive to the potential for the Australian media, including Radio Australia, to shape perceptions of the presidential succession and so influence Indonesia's international standing and reputation - particularly in the important centres of trade and finance of Europe and North America.

2.23 Indonesia has a comparatively large defence force. Its defence capability is changing, however. There is an increasing maritime emphasis. While the Army remains the predominant service, Indonesia's naval and air forces are improving relatively quickly. Its increased maritime emphasis reflects a commitment to protecting the integrity of its archipelago and the indivisibility of the sea and land in Indonesian national ideology. Moreover, Indonesia is improving its ability to employ and support its military forces. There are, nonetheless, constraints on its ability to expand rapidly, because of both economic limitations and problems with absorption.
3. Australia's Broader Strategic Environment

3.1 This chapter examines the strategic outlook in the broader Asia-Pacific region, and the role of the major external powers during the next decade.

3.2 South-East Asia is changing rapidly. The prospects for the ASEAN states as a whole appear good, with the threat from Vietnam a thing of the past, economies prospering and the Philippines making some progress in countering domestic insurgency. Such uncertainties as remain are due more to the role of external powers than to the intra-regional rivalries of the past.

Malaysia

3.3 Malaysia has traditionally been the focus of Australia's defence involvement in South-East Asia. It is becoming more concerned with defining and asserting its strategic interests in accordance with its own national priorities. This trend is likely to continue. The relationship should remain basically constructive, but will require careful management.

2.24 There is no conceivable motive for Indonesia to want to threaten Australia with major attack. Indonesia's primary concern is with internal security. Beyond that it is concerned with threats from the north, and generally sees the region to its south as a secure strategic flank to which, accordingly, it gives little priority.

2.25 Indonesia will continue to join with Australia in initiatives which are mutually supporting in their strategic effect, e.g. the Timor Gap Zone of Cooperation, fisheries control agreements, etc. For Australia, the challenge is to engage strategically with Indonesia in ways which:

- increase mutual tolerance of the fact that our strategic perspectives differ but are not incompatible; and
- develop practical cooperation in areas of shared strategic interest.

This is more likely to result from bilateral defence activities which emphasise partnership and equality. It should be a major aim of Australian defence policy in the coming decade to give more substance to the defence relationship with Indonesia.
Singapore

3.4 Singapore will continue to push a strong and independent line on regional strategic issues. It will continue to value its links with Australia, due both to our defence activities within the region and our position as the major regional ally of the US. Singapore is becoming an increasingly important defence support and industrial base, which in turn assists us in maintaining our regional strategic access.

The Philippines

3.5 The political and economic future of the Philippines remains uncertain. Internal security continues to be the principal preoccupation of the Philippines Government. Current political and military trends suggest little prospect of the communists taking power in the next decade.

3.6 The Philippines occupies a key position in relation to both regional Sea Lines of Communication (SLOCs) and the broader Western strategic presence in South-East Asia. While the US bases have a limited role in terms of global war fighting, they significantly extend the operational reach of US maritime forces in the region and into the Indian Ocean and Persian Gulf, and make a major contribution to regional strategic confidence. They have strategic significance for Japan.

3.7 The US is likely to reduce its reliance on the bases at Clark and Subic. The US will wind down its presence after some extension of current arrangements, but is likely to retain staging rights. Subic is more important to the US than is Clark and, for economic reasons, to the Filipinos. A more precipitate withdrawal is conceivable. The US will further diversify its strategic access to the region through infrastructural development on its territories in the Pacific and through improved access to facilities in other ASEAN countries, such as Singapore. US initiatives and their timing will inevitably impact on our interests, and we need to maintain particularly close links with the US on possible changes.

Thailand

3.8 At the same time, developments in mainland South-East Asia are beginning to affect regional strategic relationships. Thailand is entering a period of substantial economic growth, which will be an asset to ASEAN. Thailand’s strategic posture is becoming increasingly confident, and this may have significant implications for the relative balance of influence within ASEAN. Moreover, its growing interest in Burma and Indochina will make its relationship with its peninsular and archipelagic neighbours less central.

Vietnam

3.9 Formidable economic problems and the potential for tension between a freer economic climate and centralised political control will command Vietnam’s energies for the foreseeable future. Nevertheless, it will continue to be a key player in regional strategic affairs. It is gaining in political credibility, and will continue to exercise strategic influence as a competitor for offshore resources in the South China Sea, as a large country attracting development capital and as a significant influence on events in Cambodia and Laos. Following Vietnam’s withdrawal from Cambodia, the prospect of Vietnamese forces’ acting against Thailand has reduced greatly. Vietnam’s interaction with regional countries will be more active, diverse and less confrontational. It will also intensify its efforts to gain Western technological assistance to support economic development. The prospect of Vietnam’s growing confidence reinforces the strategic significance of mainland South-East Asia in regional affairs.

Cambodia

3.10 In Indochina, the Cambodian peace process retains momentum. But the principals remain far apart, and an early settlement is unlikely. The relative military power of the factions will remain important. Indeed, the prospect of a further bloody civil war in Cambodia cannot be ruled out. Civil war would continue to focus the security concerns of outside powers on the region: the Soviet Union, China, and probably the US would remain interested in affecting the outcome.

3.11 While developments in Cambodia do not directly impinge on Australia’s security, the importance of a settlement to regional stability argues for active Australian participation in international efforts to monitor the implementation of settlement accords. Any military operations in Cambodia could be dangerous and run the risk of a protracted involvement should the process be drawn out or civil war occur. The balance of strategic benefit would support an Australian contribution drawing on ADF or wider national resources.

External Strategic Influences on the Region

United States

3.12 The United States will continue to play a crucial strategic role within the region. But its global perspective does not always match the interests of regional countries and the US must be prepared to display sensitivity to regional priorities.

3.13 It is in the interest of those countries which wish to see the US presence continue as a stabilising influence in the Asia-Pacific region to demonstrate to the US that they are willing to carry their part of the burden, in defence as well as in other more indirect ways. And since it is a question of their keeping the US involved in a specific area of the world, rather than with an individual country, it is important that the countries concerned be seen to be on good terms among themselves.
3.14 Regional concerns about longer term Chinese policies, wariness of India’s maritime capability, and concern about Japan’s military potential mean that regional countries will remain receptive to US engagement. They are likely, however, to demand benefits in terms of their own developing defence capabilities. By virtue of the ANZUS alliance, the US will remain our key strategic ally in South-East Asia.

3.15 Our aim must be to keep the US strategically engaged in South-East Asia. This would, in turn, reinforce Australia’s strategic position. But it will require close contact between ourselves and the US. This should be pursued through:

- high-level policy exchanges; and
- closer working relationships at the operating level, especially in the planning phases.

Japan

3.16 Japan is the dominant Asian economic power, and is a significant military power in its own right, being the world’s third-largest defence spender. While its capabilities remain defensively oriented, its economic and political power give Japan considerable strategic influence.

3.17 Japan’s core strategic aim is to keep the US engaged in the security of East Asia. The domestic consensus does not yet exist for Japan to become an independent actor in the regional balance, despite concerns in South-East Asia about Japan’s growing defence capabilities. Tokyo, in turn, is looking to the legitimacy of its defence relations with the US, to United Nations peacekeeping roles, and to provision of large quantities of strategically targeted foreign aid. Radical changes in Japanese defence policy are most unlikely.

3.18 Japan’s range of military capabilities and defence spending will expand, but its strategic horizons will remain fixed in East Asia, and on its perceived need for defence against the Soviet Union. Force projection capabilities will remain modest, not least because of the absence of a domestic consensus to go beyond a defensive force structure. Even so, smaller regional countries will remain nervous about the possible future course of Japan’s military capabilities.

3.19 Australia needs to come to terms with the new strategic reality which Japan represents. We need to develop, in a measured way, our defence relationship with Japan, the focus being on high-level consultation and cooperation on maritime matters. But there are substantial sensitivities which will need to be handled very carefully.

Korean Peninsula

3.20 The Korean Peninsula has re-emerged as one of the most worrying parts of Asia. North Korea is determined not to be left behind by the more prosperous, and more numerous, South. South Korea has the potential to match North Korea’s conventional military
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Capabilities over the next five years, thus raising questions about the continuing need for a US military presence. North Korea is probably trying to develop nuclear weapons, which could have grave consequences for the Northeast Asian region.

China

3.21 While China is developing strategic influence and reach, its preoccupations will remain internal. Economic growth will slow and China's capacity to provide resources for defence will be impaired, while its already large incentive for exporting arms will increase. Defence is only the fourth modernisation and, despite debate about allocating more resources to dealing with India and Vietnam, the Soviet Union will continue to be its main military concern. Hence resources will be allocated mainly to ground forces for northern defence. Naval and air assets for operations in the South China Sea will improve, albeit slowly, reinforcing China's status as a major regional power.

3.22 In the South China Sea, where its interests overlap with regional countries, China is pursuing its sovereignty claims to the Spratly Islands. It has displayed a willingness to use military force in the face of claims by Vietnam. (Taiwan, Malaysia and the Philippines also occupy some of the islands.) Nonetheless, China is unlikely to be able to achieve the degree of political paramountcy over South-East Asia it enjoyed in past centuries. Its ambitions are likely to be tempered by its interest in drawing benefit from an economically vigorous regional environment. However, China will ensure that its consent or cooperation remains necessary for effective resolution of the main regional issues in which it has a stake.
3.23 China’s military capabilities are more than sufficient to handle any regional power, apart from the superpowers. It is important that we keep in close contact with South-East Asian countries in promoting a sense of regional strategic cohesion. There is little scope for Australia to engage in defence cooperation with China in the short term.

**Soviet Union**

3.24 The Soviet Union’s major preoccupation will be with the security of its eastern flank. Elsewhere, it will seek to enhance its political and economic role, but with limited success.

3.25 In the absence of an extended network of regional military agreements, the Soviet Union relies on its navy for its conventional military reach. Nonetheless, Soviet naval forces in the Pacific have significant deficiencies. The US maritime strategy has highlighted chronic Soviet vulnerabilities, and Soviet force modernisation, though substantial, will not diminish Western naval superiority based on the US and Japan. The Soviet Union will try to reduce Western naval dominance by advocating naval arms control and encouraging controversy over nuclear ship visits. The base facilities at Cam Ranh Bay are a useful asset for the Soviets, but in no way approach the practical military utility or strategic significance of the US’s Philippine bases. Yet at times the Soviets seek to equate the two as part of their regional pressure tactics, and a dramatic Soviet gesture of unilateral withdrawal is conceivable. Should this occur, it would not significantly affect US-Philippine negotiations, which are dominated by issues of cost and tenure on the US side and nationalist sentiment and economic benefit on the Philippine side.

3.26 Soviet attempts to develop relations in the South Pacific will be cautious. It recognises that its best chances of influencing the South Pacific will come through concentrating its efforts on Australia and New Zealand. We would not expect the Soviet Union to develop a military presence in the region.

3.27 For Australia, the challenge is to prevent the Soviet Union from exploiting its enhanced regional access in ways which undermine our capacity to support regional strategic cohesion. Our policies towards the USSR should make this plain.

**India**

3.28 India’s defence spending remains at high levels. It is a potential nuclear weapons state and is developing long-range ballistic missiles. Nonetheless, India’s regional strategic ambitions will be limited by continuing border tensions with Pakistan and China, problems in maintaining internal political cohesion, and the US naval presence in the Indian Ocean. Moreover, India may be at the limits of its capacity to increase defence expenditure, and some of its more ambitious naval force structure plans may not be realised.

**Regional Defence Developments**

3.29 The next ten years are likely to see the development of more effective defence relationships between nations in the Asian region. These are more likely to be bilateral than multilateral, and are unlikely to be expressed as formal treaties. They will be highly flexible to accommodate political and strategic objectives which, while varying from country to country, will not be mutually incompatible. There will be a growing view that the strategic stability of the Asian region should be primarily a matter for the local powers.

3.30 The US, in response to its changing strategic position, will be seeking to build more flexible defence relationships. Moreover, any relative decline in the US military presence may well encourage other militarily powerful states to assert their strategic influence. The United Kingdom, New Zealand and France will also maintain some links in South-East Asia and the South Pacific, though these are likely to reflect priorities different from Australia’s.

3.31 Because of the fluid nature of our broader strategic environment, there are significant strategic opportunities for Australia in the years ahead. But the management of our regional defence relationships will be increasingly demanding because of the differing priorities of regional states and the informal nature of defence relationships. Australia will need to be sensitive to the needs of regional nations.

3.32 The rate of strategic change in the Asia-Pacific region and enhancements to regional military capabilities do not of themselves create a military threat to Australia. Although the lead-times for the development of weapons of mass destruction by regional countries are generally long we need to continue our efforts, especially in the diplomatic field, to prevent their proliferation. Were longer range ballistic and precision guided missiles to be introduced into regional inventories, the intelligence and warning capabilities of the Australia-US Joint Facilities would play an important role in achieving our self-reliant defence.

3.33 There remains a large measure of uncertainty in South-East Asia and the South Pacific. This can lead to tension, and to conflict. We therefore need to have planning techniques which allow us to evaluate the nature and consequences of strategic change with a high degree of confidence, to structure our defence force appropriately, and to undertake defence activities which secure our long-term strategic interests. These techniques are dealt with in the next chapter.
4. PLANNING FACTORS IN THE NEXT DECADE

4.1 In Australia's current and foreseeable strategic circumstances, defence planning does not proceed on the basis of any particular threat. While defence planning must be alive to the possible emergence of a threat, its central focus is the credible ways in which military capabilities could be used against Australia, how we should respond in such circumstances, and the means by which we can promote the security of our strategic environment. Our planning recognises that the defence of Australia goes beyond the protection of Australian territory to include matters which impinge on our direct security interests (e.g. offshore resources, and critical Sea Lines of Communication).

4.2 Recent developments in our region are unlikely to impact directly on our security, but the increasing military power of some Asian nations creates uncertainty for the longer term, especially should alignments change.

4.3 The rate and nature of political, economic and social change in South-East Asia and the South Pacific is producing a more complex and, therefore, uncertain environment which will impose increased demands on Australia. These demands have the potential to lead to ADF involvement in national defence tasks other than the direct defence of Australian territory, such as:

- meeting alliance obligations;
- support for diplomatic initiatives such as peacekeeping;
- natural disaster relief;
- protection and evacuation of Australian nationals in South Pacific nations in the event of serious civil disturbance; and
- other activities designed to promote our national strategic interests, as may be directed by Government from time to time.

Balancing Strategic Priorities

4.4 It is difficult to reconcile the allocation of resources between the immediate demands of national self-defence on the one hand, and activities undertaken for broader national purposes on the other. We have in the past made comfortable judgements that the force-in-being developed for our national defence would provide suitable options for meeting other tasks. But the regional uncertainties noted above suggest that this assumption may be less justified in the future. Our judgements on how this affects the force structure are set out in the next chapter.
4.5 The employment of Defence resources in meeting broader national interests is not an alternative to the demands of national self-defence, but complementary to it. It is important to take account of the margin of flexibility we need in ADF assets at the planning stage rather than confront later the problems of equipment modification or supplementation. The extent to which capabilities are acquired for these purposes will be decided on a case-by-case basis.

Levels of Conflict

4.6 In planning Australia's military response to the use of armed force against us, there are several key analytical processes which provide a basis for capability decisions and the development of operational concepts. Fundamental to this planning is the identification of the various levels which typify conflict, including how an adversary's operations might be conducted. Analysis of these levels of conflict brings together the realities of our strategic environment in terms of: geography; available regional capabilities; the ways in which such capabilities might be used; and the purposes for which such capabilities might be used.

4.7 Two main levels of conflict can be identified on the basis of military capabilities available within our region. These are low-level conflict where the adversary would normally seek to avoid engaging the ADF and escalated low-level conflict where the adversary would be prepared to engage the ADF.(1) These levels of conflict place different but nonetheless significant demands on Australia’s defence planning and on the ADF. They are not necessarily sequential nor do they attempt to predict the level at which an adversary might initiate or pursue hostilities. The planning and conduct of ADF operations, and the development of its force structure, must comprehend all the levels of conflict of which the adversary is capable.

4.8 In low-level conflict, the adversary's use of military assets may be ambiguous, thus imposing difficult problems for Australia in areas such as civil/military relations, rules of engagement and surveillance. Our ability to make a direct and decisive military response will be constrained. In escalated low-level conflict, the ADF must ensure that it determines the terms of engagement. There will be fewer constraints on ADF operations.

4.9 The escalation of conflict is manifested by one or more of the following:

- a widening of the geographical distribution of incidents;
- an increase in the scale of operations;
- the nature of the weapons systems employed;
- a higher intensity and frequency of engagements; and
- the significance of targets attacked and the damage inflicted on them.

4.10 Escalation and escalation control are particularly difficult planning problems because they are determined by the actions of the adversary, the political conditions of the conflict, including the state of public awareness and opinion in Australia, and the ability of available forces to sustain higher operational levels. In order to terminate conflict on terms favourable to us, we must aim to control the rate of escalation.

4.11 Accordingly, we cannot be simply reactive. In view of the relatively small size of our force, we must avoid:

- excessive dispersal of our military assets;
- trading assets in a retaliatory fashion; and
- a disproportionate response.

4.12 At the same time, we must ensure that the adversary is left under no misapprehension about our ability to interdict and employ strike against selected military targets. Moreover, our resolve to do so - as circumstances warrant - should be equally clear.

4.13 More substantial conflict, which would demand the unconstrained use of force levels not currently in regional inventories, is not now in prospect. Recent studies have demonstrated that the capabilities needed to mount and sustain large-scale operations across the sea-air gap are large, complex and costly. Regional countries do not have such capabilities, nor are they planning to acquire them. Nonetheless, we need to evaluate lead-times for our capability enhancement against warning of more substantial conflict.

Warning

4.14 States do not lightly decide to employ armed force in pursuit of national policy. The issue must be serious enough, and the state needs to have the political will to prosecute the issue through the use of force. Miscalculation and error can enter into such decisions, but most fundamentally the state must have the military capabilities it believes necessary to achieve its aim.

4.15 Previous chapters have demonstrated that there is no issue at present likely to give rise to deliberate and direct military pressure against us. We cannot, however, be sure that the uncertainties in our strategic environment will not result in the use of military force against us. Issues can arise relatively quickly, and incidents arising from miscalculation always remain possible. We can be confident in our ability to detect the emergence of substantial threats to our security, provided that we continue to direct adequate effort to the detection and evaluation of warning signs.
4.16 The principle elements of warning are:

- motive (the underlying issues, including the consequences of Australian actions);
- intent (the adversary's decisions and policies, in the context of national values and institutions); and
- capability (the capacity to apply military force).

4.17 Evaluation of motive and intent is analytically demanding and difficult, because the issues may lack clarity and intent may be unclear or imprecise (including to the adversary). Motive and intent can change relatively quickly.

4.18 The confidence levels which we derive from analysis of motive and intent must be complemented by a rigorous analysis of military capability and shifts in military posture. In Australia's case, regional military capability is amenable to long-term analysis and evaluation, which includes consideration of both current forces and the ability to acquire and absorb new capabilities. New military capabilities cannot be developed quickly, especially those necessary for power projection across the sea-air gap.

4.19 There are two factors central to estimating warning of major military operations against Australia. The first is the period required for a general deterioration in relationships that would precede any use of military force against Australia. This timescale is difficult to define. In present circumstances, a rapid deterioration is unlikely. In other circumstances, relations could deteriorate within months rather than years. But in any circumstances, our own actions will always be a significant factor determining events. The first hostile actions against Australia might be non-military, for instance attacks on our Embassy; aggressive assertion of fishing rights; seizure of Australian assets; restriction of our sea and air transit rights; or attacks against Australian citizens.

4.20 The second factor in warning is the detection of improvements to regional capabilities which would be necessary for the use of military force at higher levels against Australia. Current studies in this area conclude that a very substantial force would be necessary for any kind of major military assault against Australia. The capabilities to support and sustain an assault across the sea-air gap in the face of Australian countermeasures do not now exist.

4.21 Australia would, of course, respond to such developments by expansion of our own military capabilities. So long as our own capability development maintained our relative advantages to counter effectively any power projection forces within the region, then major direct assault from any regional country would continue to remain improbable.

4.22 The evaluation of warning indicators and the analysis of levels of conflict assist defence planning in the forecasting of developments and trends, assessing the effectiveness of regional forces and identifying the political and military conditions in which the ADF might have to operate. These are crucial factors in the development of force structures and doctrine. As such, these planning tools are not predictive with respect to either the specific timing of conflict, or the way in which conflict might unfold.

4.23 The availability of resources for Defence will continue to be linked to the performance of the Australian economy. Given Australia's economic outlook, defence planning should assume that there will be increasing competition between portfolios for funds. Moreover, the changing superpower relationship, which may lead to relatively lower defence spending by the Western community in general, is likely to influence public perceptions of defence spending within Australia.

4.24 There are resource pressures within the Defence portfolio. In the shorter term, there is a heavy commitment to capital equipment and facilities development in order to implement the investment priorities set out in The Defence of Australia 1987. Manpower costs are likely to increase and demographic trends and competition with industry suggest that manpower resource availability is likely to decrease. And acquisition and operating costs for some equipment, especially the more advanced combat systems, will increase in real terms.

4.25 To handle these difficulties, defence planning needs to be especially rigorous in its analysis of priorities. There are several principal issues. First, we must be selective in our use of technology. This means that we must be specific about where a margin of technological superiority critically needs to be. There must also be a critical analysis of what is available, affordable and supportable, and a rigorous assessment of research and development priorities.

4.26 Second, we should recognise that technologies relevant to the maintenance of our technological edge are likely to be both more expensive and more capable. For this reason, we may have to acquire combat systems in reduced numbers. At the same time, other systems which may be less relevant to the technological edge (e.g., transport, small arms) will cost less in unit terms. Thus, judgements on the balance between technological quality and system numbers will be important. We must identify opportunities for quality/quantity trade-off.

4.27 Third, higher operating costs are generally associated with the high acquisition costs of advanced-technology equipment. To get best value from Defence expenditure, we must continue to monitor critically the costs of acquiring and operating modern systems.

4.28 Fourth, there must be continuing efficiency in the management of manpower resources. This demands ongoing scrutiny of current ADF and Departmental structures to determine where rationalisation is possible.

4.29 Finally, we must not allow short-term programming difficulties to distract us from the need for long-term planning. We must ensure that, within realistic and achievable levels of financial guidance, the ADF remains equal to the defence task in the longer term.
Priorities for Self-reliance

4.30 The planning challenge for Australia in the next decade is to influence regional strategic trends while ensuring that we are able to deal with such defence situations as might arise. To achieve this, we need to respond to regional strategic and force structure changes so as to protect our capability margins in crucial areas.

Key Priorities

4.31 It is fundamentally important that we continue to identify key priorities for our defence planning and funding. They embrace the activities which we must be able to undertake independently both in current circumstances and in situations which might arise with relatively little warning. These are:

- Intelligence collection and evaluation, which is necessary to monitor developments relevant to warning; to develop an operational database; to provide information on specific regional crises in which Australia might be involved; and to support ADF operations through tactical intelligence.

- Surveillance underpins timely and resource efficient operations through: continual broad area surveillance to complement intelligence, discern activity patterns and provide early warning of hostile activities; and selective surveillance in particular areas to permit rapid identification and interception of ships, aircraft and submarines.

- Maritime patrol and response is essential for intercepting hostile forces in the sea and air approaches, thereby providing the ADF with the ability to: protect offshore territory and interests; influence the type, level and location of hostilities; and keep hostile forces away from the Australian mainland. The ability to deny an adversary operational freedom near Australian territory will be a major constraint on hostilities, and will make the defence of Australia’s northern areas manageable.

- Flexible, rapid reaction land forces are needed to provide protection for key military and civil infrastructure in the north, to deal with such incursions onto Australian territory as may occur, and to contribute as required to Australian assistance to countries in the South Pacific and protection of Australian nationals there.

4.32 The realisation of these priorities requires heavy emphasis on the joint planning and conduct of ADF activities. In view of the difficulty in the provision of warning for low-level conflict, there are also implications for the readiness of selected ADF elements. The maintenance of high states of readiness is costly. Accordingly, intelligence and surveillance, and those assets more likely to be employed in support of broader national purposes, should be at higher readiness in current circumstances.

5. CAPABILITY PRINCIPLES AND PRIORITIES

5.1 Our policy of defence self-reliance accords priority to capabilities for the defence of Australia and its direct interests. Capability comprehends the overall conduct of defence activities and operations. It goes beyond equipment to include manpower, training, doctrine, and logistic, industry and infrastructure support.

5.2 Our defence capabilities are shaped by the enduring characteristics of Australia’s strategic environment, the types of force that can be realistically projected against us, and the timescales in which that might occur. Within these broad parameters, the capabilities planning process is dynamic. We must constantly review priorities for planning and resource allocation to ensure that we remain sensitive to:

- changes in the nature and emphasis of regional forces, together with assessments of regional intentions;

- the relative strengths and weaknesses of our force structure as presently developing; and

- the need for progressive refinement of the principal roles the ADF may be required to undertake, and how these might be accomplished.

Changes in Regional Capabilities

5.3 Chapters 2 and 3 examined the nature of strategic change in our region. The clearest response of regional countries to changes in their strategic environment is their acquisition of modern military technologies and the development of their force structures. Relatively advanced technologies are increasingly available, and are being marketed aggressively throughout the region. Regional countries are increasingly able to absorb and support such equipment.

5.4 Whereas, traditionally, regional countries have concentrated on land forces, and continue to retain significant capabilities in this area, there are clear trends in regional force structure development which indicate increasing emphasis on naval and air forces, especially for maritime operations.

5.5 Generally, however, only small numbers of advanced systems have been introduced into regional inventories. Notwithstanding an enhanced capacity for local assembly and production of defence equipment, it will take time for them to be integrated effectively. Overall, the capacity of regional forces to project power against Australia has not changed substantially in recent years.
Australia’s Strategic Planning in the 1990s

Changes in Australian Capabilities

5.6 Current ADF and Defence capabilities, together with proposed enhancements, remain substantial in regional terms.

- Our intelligence capabilities, supported by access to US information, provide a sound understanding of many developments.
- The Over-the-Horizon Radar (OTHR) network will provide the capability for broad area surveillance of the northern approaches. Operations by P-3 LRMP aircraft and RAN surface forces can complement this coverage as required.
- The modernisation and expansion of the fleet with additional FFGs, the ANZAC frigates, Seahawk helicopters, and new submarines, together with the new facilities at HMAS Stirling in WA and the acquisition of the tanker HMAS Westralia, will enhance our ability to patrol and secure our maritime approaches.
- The F/A-18 fighter aircraft currently being introduced into service, with the F-111s, represent substantial elements in our strike and air defence capability. The new airfields at Curtin (WA) and Tindal (NT) and the proposed airfield on Cape York (Qld) will support air operations across the breadth of northern Australia and in our sea and air approaches.
- Ground force mobility and firepower will improve with the acquisition of Blackhawk helicopters, wheeled armoured fighting vehicles, Perentie vehicles and other off-road vehicles, more effective artillery and new small arms.
- The Defence Secure Communications Network (DISCON) and new tactical radios will provide more reliable and secure communications to Defence units throughout Australia.

5.7 These capability developments will continue to absorb a substantial part of our defence resources. They are determined by the area over which the ADF needs to operate, the importance of denying an adversary freedom in the sea and air approaches, our limited population base and the nature of the northern environment, which places a premium on technologically advanced systems rather than manpower intensive conventional forces.

Defence Roles

5.8 To give practical effect to the policy of defence self-reliance, it is important that the ADF has the capabilities necessary for it to carry out its principal roles, and that these are supported by operational concepts which recognise the key features of our strategic environment and the contingencies that may arise.

5.9 To provide comprehensively for the defence of Australia and to meet current tasks, the principal Defence roles are:

- intelligence collection and evaluation; and, specifically for the ADF:
- surveillance in our maritime areas of interest;
- maritime patrol and response;
- air defence within our maritime areas and northern approaches;
- protection of shipping, offshore territories and resources;
- protection of important civil and military assets and infrastructure;
- detection of and defeating incursions onto Australian territory;
- strategic strike; and
- contributing to the national response to requests from South Pacific nations for security assistance, including incidents affecting the safety of Australian nationals.

Performance of these roles is underpinned by the ability of Defence and wider national assets to provide appropriate command, control and communications; transport; logistic support; infrastructure; and industrial support.

Maritime Surveillance

5.10 OTHR will enable us to conduct broad area surveillance of Australia’s northern approaches on a continual basis. The network of overlapping radars will improve probabilities of detection in priority areas. Additional broad area capabilities should await a clearer definition of any capability gaps and the priority for their rectification.

5.11 The more immediate priority is for sustained, detailed surveillance in specific maritime focal areas. The capacity of the existing P-3C, warship and ground-based radars to provide this coverage is limited. Enhanced air defence radars and surface and subsurface towed arrays offer potential for meeting this need. Upgrading of the P-3C surface surveillance radar would contribute to the detection and identification of intrusions by hostile surface vessels.

5.12 Coverage of certain key areas, such as the approaches to Darwin, Broome and Derby, the North West Shelf and Torres Strait, would be important in almost any conflict. The surveillance capabilities on deployed ADF ships and aircraft can contribute to this coverage. But further work is needed to ensure that ADF surveillance operations are effectively
coordinated, that the required rates of effort are achievable, that the environmental peculiarities of northern Australia are fully taken into account (e.g. the demands of shallow-water antishubmarine warfare), and that civil resources can be utilised effectively.

**Maritime Patrol and Response**

5.13 We are at present acquiring a substantial number of new aircraft, warships and submarines (see Table 1). These will enhance the flexibility and timeliness of patrol and response operations across Australia’s northern approaches. Changes in regional maritime capabilities and the likely nature of hostilities, however, establish priorities for further development.

<table>
<thead>
<tr>
<th>Table 1. Major ADF Capabilities - Naval</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1983</strong></td>
</tr>
<tr>
<td>3 guided missile destroyers</td>
</tr>
<tr>
<td>3 guided missile frigates</td>
</tr>
<tr>
<td>6 River-class destroyer escorts</td>
</tr>
<tr>
<td>6 Oberon-class submarines</td>
</tr>
<tr>
<td>2 mine clearance vessels</td>
</tr>
<tr>
<td>2 fleet supply and support vessels (Stalwart, Success)</td>
</tr>
<tr>
<td>1 amphibious heavy lift ship</td>
</tr>
<tr>
<td>9 Fremantle-class patrol boats</td>
</tr>
<tr>
<td>10 Attack-class patrol boats</td>
</tr>
<tr>
<td>1 fleet support squadron (10 Skyhawk a/c)</td>
</tr>
<tr>
<td>8 Seaking helicopters</td>
</tr>
<tr>
<td>1 fleet support and surveillance squadron (19 Tracker a/c)</td>
</tr>
</tbody>
</table>

5.14 It is important to ensure that our major surface combatants and aircraft operating together maintain a margin of superiority for defence against air, surface or subsurface attack. Close to Australia, where it is easier for the ADF to achieve and maintain control of the air, there will be a trade-off between the number of ships available for operations and their air defence capabilities. Priority should be given to the former.

5.15 The possibly deceptive and unpredictable nature of hostile maritime operations across the breadth of Australia’s northern approaches demands forces which are able to locate, identify, track and engage surface and subsurface targets. Operations may need to be sustained far from support bases for long periods of time. Helicopters offer the potential to supplement the surveillance and combat capabilities of surface vessels. We need to develop further our joint concepts for integrating air and surface assets.

**Air Defence**

5.16 An adversary’s use of military and civil aircraft over a wide area could quickly commit the ADF to sustained high states of readiness and disproportionate rates of effort in response operations.

5.17 F/A-18 aircraft provide sufficient combat capability for air defence and complement other airborne maritime strike assets (see Table 2). A timely response depends, however, on the early detection of potentially hostile aircraft. Broad area surveillance capabilities provide an initial tripwire, but we must also be confident of our ability to intercept and identify

<table>
<thead>
<tr>
<th>Table 2. Major ADF Capabilities - Air Force</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1983</strong></td>
</tr>
<tr>
<td>2 strike and reconnaissance squadrons (24 F-111C a/c)</td>
</tr>
<tr>
<td>3 tactical fighter squadrons (82 Mirage 11/1OD a/c)</td>
</tr>
<tr>
<td>2 maritime patrol squadrons (10 P-3B &amp; 10 P-3C Orion a/c)</td>
</tr>
<tr>
<td>1 long-range transport squadron (4 Boeing 707 a/c)</td>
</tr>
<tr>
<td>2 medium-range transport squadrons (24 C-130 E/H Hercules a/c)</td>
</tr>
<tr>
<td>3 flying schools (Macchi, CT-4 a/c)</td>
</tr>
</tbody>
</table>
intruders. Upgrading the F/A-18s' combat surveillance sensors, and an Airborne Early Warning and Control (AEW&C) capability, would help interception. The planned air-to-air refuelling capability will greatly enhance operations.

5.18 An efficient command, control and communications system integrating surveillance and intelligence sources (both ADF and civil), together with ready reaction interceptors based in northern locations, is essential for effective air defence over northern Australia and across our northern maritime approaches. With the final delivery of F/A-18s, the development of an operational OTHR system in the 1990s and the introduction of improved communications, the ADF will have a National Air Defence and Control System (NADACS). AEW&C aircraft would enhance this system, and the appropriate technologies, and the number of aircraft that may be needed to meet priority tasks, are presently under consideration.

Protection of Shipping, Offshore Territories and Resources

5.19 Potentially, these are most demanding tasks requiring the deployment of forces over extended distances. Operations would tend, however, to be relatively limited geographically. The limits of regional capabilities would constrain an adversary's interdiction of our shipping to a selected number of maritime focal areas.

5.20 The closure of major northern ports would have important implications for the sustainability of ADF operations in the north. The approaches to all Australian ports are susceptible to mining. Accordingly, high priority should continue to be given to the early introduction of an effective mine countermeasures force, the lack of which remains a serious deficiency in our ability to deal with credible threats.

5.21 Outside focal areas, the threat to our shipping is much less. Protection might be provided by diversionary routing together with broad area surveillance and response capabilities. Naval Control of Shipping procedures provide a valuable mechanism for managing shipping movements in conflict. Outside high-risk areas, only the most strategically important shipping would need to be escorted.

5.22 Our offshore territories and resource installations may be threatened by raids. We must have the capability to deploy appropriate protective forces at short notice.

Protection of Important Civil and Military Assets and Infrastructure

5.23 Vital asset protection is demanding in resource terms, and this could be exploited by an adversary seeking to commit Australia to a disproportionate response. The use of Reserves for these tasks provides valuable additional capacity, but the physical size and number of assets that may need to be defended would still be a substantial drain on the ADF. Coordination of land, sea and air defence is essential.

5.24 Operational concepts should be developed to make the protection task, and the resources devoted to it, more manageable. In particular, there is a need to:

- develop national priorities for protection, as it will be neither necessary nor practicable to provide comprehensive security to cover all population centres and major infrastructure assets (highest priority should be given to those assets which are essential for effective military response);
- provide for flexible levels of protection in accordance with the nature of the threat, its geographic focus, the accessibility of targets, and specific intelligence;
- exploit surveillance and combat technologies in order to reduce reliance on manpower; and
- be able to deploy response forces to provide short-term protection for other than essential infrastructure.

The capacity of civil law enforcement and security organisations to provide protection for the northern population and specific assets will remain important and should be integral to defence operational planning. New equipment and organisational proposals should reflect these concepts.

5.25 ADF deployment concepts should not unnecessarily create additional protective tasks. Where practicable, forward deployed forces should be collocated; administrative and logistic support arrangements shared; and we should make greater use of the local civil infrastructure and resources (including police and security services).

Response to Incursions onto Australian Territory

5.26 Current and prospective regional inventories do not have the capability to mount and sustain major landings against the capabilities of the ADF. Hostile forces would generally be small, act covertly, and possess limited firepower and organic mobility. They would seek to create the maximum impact while avoiding more than brief, direct engagements. Hostilities could be dispersed over a wide area and an adversary could act swiftly to limit the time available for a response. The ADF should act decisively to prevent resupply, reinforcement or extraction of the adversary's forces.

5.27 Effective intelligence, surveillance and reconnaissance capabilities, good local knowledge and familiarity with the northern environment will be important to ADF operations. Regional Force Surveillance Units and Special Action Forces provide the capability for wide-area ground surveillance. Training resources should be devoted to testing concepts and equipment and developing familiarity with joint operations in the north.

5.28 Assured mobility in the different seasons and varying terrains in northern Australia is essential. A high degree of tactical mobility is necessary to intercept hostile forces before
reaching their targets and to contain and hinder their extraction. Blackhawk and, to a lesser extent, UH-1H helicopters provide all-weather tactical mobility over extended distances. We need to develop further the concepts for ground mobility in varying seasonal and terrain conditions as a basis for assessing the adequacy of existing wheeled and tracked transport assets. We must strike a careful balance between mobility and organic fire-power and support, especially in view of the limitations on an adversary’s own operations. Air-delivered firepower is important in this regard.

5.29 Our ground forces must be able to operate on light scales and with limited logistic support at distance from major supporting infrastructure. Resources in the land force should be directed to high priority capability and operational areas. Priority should be given to mobility, and to the ability of the land force to operate flexibly in combined arms teams for detecting, closing with and defeating raiding parties (see Table 3).

5.30 It is essential that we continue to improve our procedures for civil-military cooperation to provide intelligence, local area supply and support, and to match operational effectiveness with the needs of the civil community. It is important that the ADF continue to involve federal, state and local authorities, as appropriate, in relevant operational planning and the conduct of operations.

**Strategic Strike**

5.31 The ability to attack an adversary’s operational and support infrastructure and to interdict his lines of communication is important in applying pressure to force the adversary to cease hostilities, raising the costs to the adversary, controlling escalation or moving the focus of operations, and forcing the adversary to undertake extensive defensive measures. Although there would be significant political constraints on its use in lower level hostilities, it is an option which Government would wish to have available.

5.32 The strike option becomes more important in circumstances of escalation. Our strike and tactical fighter forces, submarines and Special Action Forces, provide a substantial capability.

**Response to Regional Requests**

5.33 As noted previously, the situations which might require ADF involvement in the South Pacific include the evacuation of Australian citizens and natural disaster relief. We would, of course, need to be very conscious of the domestic political situation within the country concerned and of the possible longer term implications for bilateral and regional relations.

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Table 3. Major ADF Capabilities—Ground Force

<table>
<thead>
<tr>
<th>1983</th>
<th>1989</th>
<th>Mid-late 1990s</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 tactical air transport squadrons/units</td>
<td>4 tactical air transport squadrons/units</td>
<td>4 tactical air transport squadrons/units</td>
</tr>
<tr>
<td>20 Caribou a/c</td>
<td>20 Caribou a/c</td>
<td>Caribou replacement (possible)</td>
</tr>
<tr>
<td>12 Chinook helos</td>
<td>16 Blackhawk helos</td>
<td>39 Blackhawk helos</td>
</tr>
<tr>
<td>30 Iroquois UH-1H helos</td>
<td>25 Iroquois UH-1H helos</td>
<td>25 Iroquois helos</td>
</tr>
<tr>
<td>7 APC and reconnaissance regiments</td>
<td>6 APC and reconnaissance regiments</td>
<td>6 APC and reconnaissance regiments</td>
</tr>
<tr>
<td>770 M113 tracked armoured fighting vehicles (AFVs)</td>
<td>770 M113 tracked AFVs</td>
<td>600 M113 tracked AFVs</td>
</tr>
<tr>
<td></td>
<td>(15 LAV-25 wheeled AFVs on order)</td>
<td>100 LAV-25 wheeled AFVs (possible)</td>
</tr>
<tr>
<td>1 armoured regiment with 103 Leopard tanks</td>
<td>1 armoured regiment with 103 Leopard tanks (half in storage)</td>
<td>1 armoured regiment with 103 Leopard tanks (half in storage)</td>
</tr>
<tr>
<td>2 regional force surveillance units (Darwin, Pilbara)</td>
<td>3 regional force surveillance units (Darwin, Pilbara, Cape York)</td>
<td>3 regional force surveillance units</td>
</tr>
<tr>
<td>6 light artillery regiments (4 Reserve)</td>
<td>6 light artillery regiments (4 Reserve)</td>
<td>6 light artillery regiments (4 Reserve)</td>
</tr>
<tr>
<td>290 M2A2 and L5 105 mm guns</td>
<td>290 M2A2 and L5 105 mm guns</td>
<td>105 new Hamel 105 mm guns</td>
</tr>
<tr>
<td></td>
<td>20 new Hamel 105 mm guns</td>
<td>148 M2A2 guns</td>
</tr>
<tr>
<td>2 medium artillery regiments (1 Reserve)</td>
<td>2 medium artillery regiments (1 Reserve)</td>
<td>2 medium artillery regiments (1 Reserve)</td>
</tr>
<tr>
<td>30 5.5 in. medium guns</td>
<td>36 M198 155 mm medium guns</td>
<td>36 M198 155 mm medium guns</td>
</tr>
<tr>
<td>22 infantry battalions (16 Reserve)</td>
<td>21 infantry battalions (15 Reserve)</td>
<td>21 infantry battalions (15 Reserve)</td>
</tr>
<tr>
<td>SLR rifle (standard individual weapon)</td>
<td>SLR rifle; first 500 of new Steyr rifle delivered</td>
<td>67,000 new Steyr rifles</td>
</tr>
<tr>
<td>Basic transport: Series 3 Landrovers (3/4 ton) and 2.5 and 5 ton International trucks</td>
<td>New Perentie (1 &amp; 2 tonne) field vehicles being introduced; 2700 new Unimog and Mack 4 and 8 tonne trucks delivered</td>
<td>3500 Perentie vehicles and 2800 Unimog and Mack medium trucks in service</td>
</tr>
</tbody>
</table>
Australia's Strategic Planning in the 1990s

5.34 To be able to respond effectively to these situations the ADF must have the ability to:

- deploy air and sea transport assets at short notice;
- maintain light, adequately equipped land forces at appropriate levels of readiness;
- evacuate Australian nationals using civil or military assets; and
- secure a point of entry if necessary.

The emphasis will be on supporting local security forces or facilitating evacuation rather than on direct and sustained combat needs.

5.35 The size and nature of the forces employed will need to reflect Australia’s objectives. The national response would use civil agencies and commercial transport capabilities in many circumstances, with the ADF primarily responsible for operational coordination and, possibly, control. Deployment of major ADF combat capabilities would be avoided where other lesser options could do the job.

5.36 Generally, appropriate capabilities exist within the ADF and wider national resources. Specific situations will be unpredictable, and planning should focus on identifying and testing a range of response options rather than on developing specific capabilities. Specific purpose capabilities should be acquired only where suitable options do not exist within force elements necessary for the defence of Australia, and then only in the context of overall force development priorities.

Supporting Roles

5.37 To operate effectively, the ADF needs support capabilities closely matched to its combat capabilities and their related operational concepts. These support capabilities should be attuned to both the likely nature of conflict in Australia’s strategic environment and to the capacity of the civil infrastructure to contribute to the national defence effort. In this regard, the ADF must continue to play its part in broader national efforts to survey, map and collect relevant data on our physical environment, with emphasis on the more likely areas of operations.

Communications

5.38 Communications are essential for linking national authorities and higher commands to deployed forces and for integrating joint forces operating over a wide area. They must disseminate intelligence and surveillance information in a timely way and remain survivable.

5.39 With the introduction of DISCON and new tactical links, the ADF will have an improved and more secure communications capability. Attention in further development should be given to: enhanced tactical interoperability between joint force elements; ensuring systems reliability in the harsh northern environment and over extended distances; and providing a degree of redundancy, particularly through the use of civil facilities.

Logistic Support

5.40 Logistic support must be capable of supporting joint operations across northern Australia and in adjacent maritime areas. Capabilities exist to support primary response forces, such as the Operational Deployment Force (ODF), but the capacity to sustain deployments by a wide range of force elements is limited.

5.41 Planning priorities are:

- introduction of joint or shared logistic arrangements in the north, including munitions storage, maintenance facilities and common use supplies;
- the further development of northern bases;
- support capabilities necessary to maintain operational availability and rates of effort in northern operations;
- the efficient use of civil resources and infrastructure, particularly for non-military supplies and specialist skills;
- greater use of national industry for base-level support; and
- automated systems to enhance efficiency and reduce manpower.

Strategic and Tactical Transport

5.42 Strategic and tactical transport capabilities are required to support flexible and mobile operations in the north. The strategic transport role relies on both military and civil assets, with the ADF possessing significant capabilities in its Boeing 707 and C-130 aircraft, and the naval sea transport force. Planning should seek to maximise the availability of civil support and introduce appropriate legal arrangements.

5.43 Possession of specific capabilities within the ADF will be important where there are particular weight, space or loading requirements; where assets are dedicated to certain forces; or where assured availability at short notice is required. Civil assets (air, land and sea) should be used to provide a short-term surge capability, to deploy large volume supplies, to free ADF assets for priority tasks, and to evacuate Australian nationals in regional contingencies.
5.44 In low-level contingencies there will be opportunity to arrange the use of civil air, land and sea transport for short-term surge support, providing close liaison between Defence and the industry has been maintained and an adequate framework for cooperation has been put in place.

5.45 ADF tactical transport assets must be able to sustain operations over extended distances with limited infrastructure support. Priority must be accorded to speed of deployment and adaptability to the harsh environment and seasonal changes in northern Australia. Army wheeled and tracked vehicles, together with Blackhawk and UH-IH helicopters and Caribou and C-130 aircraft, provide a substantial capability.

Infrastructure

5.46 Infrastructure in northern Australia must complement transport assets in supporting flexible and sustained ADF operations. With the development of northern airfields and HMAS Stirling in WA, operational needs are generally being met. To complement this, emphasis needs to be given to the sustainability of operations, particularly the movement of large volume supplies (fuel, consumables) along secure lines of communication to the north.

5.47 Shipping is likely to remain the primary means for bulk resupply, but alternatives need to be developed against the possibility of disruptions. This may involve enhanced storage capacity in secure locations and improved overland links. Where possible, any developments should build on and complement existing civil infrastructure. Although a measure of Defence funding to support new projects which provide secure resupply to the north may be justified, independent Defence initiatives to develop major new aspects of the northern infrastructure would absorb large resources.

Industry Support

5.48 Industry support is essential for ensuring that the ADF is able to maintain and operate effectively the range of advanced equipment and platforms that make self-reliance practicable. In particular, we must be able to modify or adapt systems to our environment and ensure their operational reliability and effectiveness.

5.49 The costs of local production are, however, high. Priorities must be rigorously applied and a balance reached between alternative approaches, such as stockholding on the one hand and foreign supply and support agreements on the other. Emphasis in research and development should be on those areas unique to Australia, e.g. broad area surveillance, long-range tactical mobility, and where particular skills have ongoing relevance to a range of defence capabilities. The capacity of national industries to provide the necessary skills, their commercial competitiveness, and their contribution to developing strategically important expertise are key considerations.

ADF Capability Objectives

5.50 The capability principles and priorities outlined in this chapter place a clear emphasis on the ability of the ADF to meet current and foreseeable tasks from within the force-in-being, which consists of both Regular and Reserve forces. In so doing, the ADF will need to supplement its skills and expand its manpower by drawing on the broader civilian community, on which the ADF's expansion ultimately depends. Initially this may be a matter of simply filling out existing units and capabilities. The ADF must also be able to expand its capabilities in a timely way against warning of more substantial conflict. But it will be important during the next decade that the ADF focus its capability development - including the integration of the Reserves - on enhancing its ability to operate jointly in low-level and escalated low-level conflict and in those situations in the South Pacific where the Government may require it to implement national policy.
6. AUSTRALIA'S STRATEGIC ROLE IN THE 1990s

6.1 By virtue of its particular roles and capabilities, Defence has a vital part to play both in setting national security objectives and providing the means by which they are realised. Accordingly, defence planning goes beyond the force structure and how it would be used operationally to include not only the activities necessary to resolve conflict but also activities to support an environment which positively inhibits conflict from arising. Our planning extends to the maintenance and development of alliances and regional defence relationships which support our strategic objectives and make their realisation more achievable. It follows that:

- we must be able to respond to situations requiring ADF operations;
- we have a continuing need to promote our strategic interests in concert with our neighbours; and
- we need to promote vigour in our alliance relationships.

ADF Operations

6.2 Defence is a fundamental national need for which the ADF must have demonstrable skills and capabilities. The ADF should be:

- ready to meet any hostilities which might arise at short notice against Australia;
- able to influence the timing and location of military engagement, thereby retaining the initiative and limiting the adversary's options;
- able to terminate conflict on favourable terms; and
- ready to respond appropriately to crises within the South Pacific.

6.3 In the South Pacific, ADF operations may contribute both to the protection of Australia's direct interests and to the promotion of regional security more generally. Because of the diversity of possible situations, the ADF might need to carry out its roles with capabilities from the force-in-being. This emphasises the need for initiative and innovation.

6.4 For the ADF to be able to meet its basic tasks, we need to ensure that the priorities for self-reliance set out in Chapter 4 are met. In particular, we need:

- margins of technological advantage in selected areas;
expertise in joint operations, with an emphasis on systems and doctrine interoperability;

- a military strategy and operational concepts relevant to the priorities for self-reliance;

- a force which emphasises operational availability with streamlined support arrangements;

- readiness and sustainability levels appropriate to activities which entail short reaction times and/or higher rates of effort;

- the planning base to allow the ADF to expand, if that were to become necessary; and

- alliance arrangements which support self-reliance in the defence of Australia and its interests, and assure our defence in the more remote circumstances of substantial conflict.

Accordingly, the use of the national defence resource must be sensitive to our strategic priorities, including:

- emphasis on the ADF's current and foreseeable tasks rather than on the ADF as an expansion base;

- focus on operations in the north, especially the sea-air gap; and

- interoperability within the ADF, while not neglecting interoperability with allies.

Promoting Our Strategic Interests

As we saw in Chapter 2, Australia is the bridge between two areas of great strategic significance to us. We will always be affected by changes in both South-East Asia and the South Pacific. While change does not necessarily mean insecurity, the uncertainties attendant upon the rate and nature of political, economic and social development in our region, and possible shifts in the centres of power, inevitably have an impact on our strategic interests.

But Australia should see itself as a substantial regional power exerting considerable influence on the rate, direction and outcomes of strategic change. This is a consequence of:

- our location;

- the size and strength of our economy;

- our national stability and cohesion;

- our past and current contributions to regional stability;

- the fact that we are a substantial regional military power;

- our alliance with the US, which regional countries respect and from which they themselves draw benefits;

- the fact that no regional country is strategically dominant, since the principal focus of military power (India, China, the Soviet Union, Japan and the US) are external to our region; and

- the fact that all regional countries have expectations of Australia's preparedness to respond to developments, albeit that these expectations differ markedly between the South Pacific and South-East Asia.

These factors serve to highlight the potential for our helping to establish a community of regional strategic interests. In particular, regional countries would benefit from considering joint approaches to monitoring and responding to the extra-regional expansion of military power.

This is reinforced by the fact that South-East Asian nations are likely to continue with programs favouring a progressive (albeit, in most cases selective) development of their military capabilities, notwithstanding the current trend towards arms reductions at the global strategic level. The emphasis will, as at present, be on maritime and air defence capabilities as those countries move gradually towards a more balanced and technologically advanced force structure. They will also need to develop training, concepts and doctrine to support the use of those capabilities.

Because we need to shape our own security environment, there are fundamental national security reasons for our playing an active and constructive role on regional strategic issues. However, we cannot assume our acceptability as a security partner, given differences in historical background, ethnic makeup, social and cultural factors and relative economic strength. We need to demonstrate a continuing and sensitive commitment to the security of our neighbours.

To achieve this, we need to manage our strategic interests in the most effective and cost-efficient way. In particular, we need to accept that our strategic influence is not dependent on military posture alone. Rather, it derives from our demonstrable ability to protect and promote our security interests while at the same time contributing to broader regional strategic stability. Moreover, pressures deriving from resource constraints mean that it is essential that we derive the maximum strategic advantage from our defence capabilities and activities and develop mechanisms to achieve this.

To enhance our ability to contribute constructively to the development of regional strategic stability, we need to:

- develop substantive regional intelligence cooperation;
6.14 Continued differences between New Zealand and the US make the resumption of full cooperation under the ANZUS Treaty unlikely. At the same time, it is essential that we maintain good working relationships with both countries on defence issues. We should encourage New Zealand to undertake defence activities in the South Pacific which complement our own. We should also support New Zealand's efforts to maintain capabilities relevant to its own defence needs, its strategic role in the South Pacific and the assistance it could provide to Australia in a defence contingency.

Alliance and Defence Relationships

6.15 Close defence relations with the US remain central to our policy of defence self-reliance. They also reinforce Australia's standing in the region and provide us with security against nuclear intimidation. The joint defence facilities contribute to maintaining the global strategic balance and support equitable and verifiable arms reduction measures, which will become increasingly important as relations between the US and the Soviet Union develop. The continuation of the US strategic role in the Asia-Pacific region and the maintenance of our alliance with the US in good order are central to our security. We should seek to keep the US strategically involved in South-East Asia and the South Pacific while raising US sensitivity to regional priorities and perspectives. Moreover, we need to remind the US from time to time that we make a substantial and responsible contribution to the alliance, and that we are able to manage limited conflicts ourselves. Furthermore, the US needs to understand that, through the various activities we undertake to develop sound relationships with our neighbours, we positively minimise the likelihood of such conflicts arising. This, of course, is greatly enhanced by our demonstrated ability to conduct combined operations with US forces.

6.16 Australia's defence agreement with PNG recognises the importance of PNG to our security. We should encourage PNG to focus its defence planning on border security and the maintenance of internal law and order.

6.17 The Five Power Defence Arrangements (FPDA) are a formal expression of Australia's commitment to the region. FPDA gives us formal access to important defence communities in South-East Asia, facilitates significant ADF activities there and supports the ability of those countries to enhance their independent defence capabilities. We must continue to support the FPDA and keep it relevant to the strategic needs of its principal partners - Australia, Malaysia and Singapore. It should, however, be complemented by a more widely based program of exercises and exchanges with the countries of South-East Asia, especially Indonesia.

6.18 Beyond the formal existing links, there is little support for, or prospect of, more general security agreements with other regional countries. Less formal cooperative arrangements may, however, emerge in specific areas of shared security concern, particularly those noted in paragraph 6.11 above.

6.19 We have significant security interests in common with Indonesia. We should seek to foster an understanding of these common interests in order to develop shared perceptions and confidence on strategic and, where appropriate, operational issues. Selective cooperation in areas such as maritime surveillance, intelligence sharing and the defence planning process offers potential for promoting these objectives. Improving our defence relations with Indonesia is an important policy aim for the 1990s.

Australia's Strategic Posture

6.20 The strategy which this document describes is one which reflects Australia's ability to act confidently as a substantial regional power in the 1990s.
6.21 The basic planning principles established in this document amplify the strategy of defence in depth set out in *The Defence of Australia 1987*. This is the strategic posture most suited to Australia’s current and foreseeable needs. Fundamentally, our security derives from:

- our remoteness from centres of regional conflict;
- the inability of any regional country to mount a substantial threat against Australia;
- our ability to counter any credible use of military force against us from within our own resources; and
- our ability to promote the strategic stability of our region.

6.22 Accordingly, defence in depth requires a national defence structure which can:

- exploit the strengths and overcome the deficiencies of our strategic environment;
- provide timely warning of changes in our strategic environment and developments in regional capabilities;
- provide flexible and controlled options to engage an adversary, preferably well forward in the sea-air gap, and to resolve conflict on terms favourable to us;
- manage defence crises which impinge on our broader defence interests in the South Pacific;
- contribute to the overall stability of our strategic environment through practical defence links with regional countries;
- contribute to and benefit from alliances, drawing practical support for our self-reliant capabilities while also enhancing the effectiveness of Western strategic interests; and
- draw effectively on the broader national infrastructure to ensure that the demands of national defence can be met.

6.23 This planning document has not identified a specific military threat to Australia in the foreseeable future. But it has identified significant uncertainties concerning the future shape of our strategic environment and the circumstances in which Government could require ADF involvement. In setting out the principles by which defence self-reliance is to be maintained and developed, it has drawn attention to the need to keep our defence capabilities under constant review to ensure their suitability for current and foreseeable tasks. In that context, this document has identified areas in which our capabilities should be further developed, and new activities undertaken, during the next decade.