Whatever the security question, the answer is a National Security Strategy

Jim Molan
The Centre of Gravity series

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About the author

Jim Molan AO DSC was a Liberal Senator for New South Wales from 2017 to 2019.

Retiring from the Australian Army in 2008 after 40 years, Jim served across a broad range of command and staff appointments in operations, training, staff and military diplomacy. Jim has been an infantryman, an Indonesian speaker, a helicopter pilot, commander of army units from a thirty-man platoon to a division of 15,000 soldiers, commander of the Australian Defence Colleges and commander of the evacuation force from the Solomon Islands in 2000. He has served in Papua New Guinea, Indonesia, East Timor, Malaysia, Germany, the United States and Iraq.

In 2004, then-Major General Molan deployed for a year to Iraq as the Coalition's chief of operations, during a period of continuous and intense combat. He was awarded the Distinguished Service Cross by the Australian Government for “distinguished command and leadership in action in Iraq”, and the Legion of Merit by the United States Government. Jim was the Adviser to the Vice Chief of the Defence Force on Joint Warfighting and the first Defence Materiel Advocate, promoting Australian defence industry overseas.

In 2013, Jim was appointed as the Prime Minister’s Special Envoy for Operation Sovereign Borders, leaving that position in July 2014 to work for a short time as a Special Adviser to the Defence Minister on the Defence White Paper. Jim Molan has a Bachelor of Arts degree from the University of New South Wales and a Bachelor of Economics degree from the University of Queensland.
Executive Summary

❖ For too long Australia has avoided treating defence issues with an appropriate level of analysis. In general we have had no reason to because of the nature of the post-1945 world order in which we lived.
❖ Our alliance with the United States has guaranteed our security against any external threats in the region. What passes for our security strategy has focused on defence and counter-terrorism to the exclusion of almost everything else. This is because for the majority of the post-war period, the United States was the world’s dominant power, our great trading partner and our security ally. That has now changed.
❖ There are at least four nations that challenge this dominance. The United States is tired of financing its role as the world policeman and, after 15 years of war, the United States has run down its military. At the end of the twentieth century, the United States was confident that it could win two big wars and one little war simultaneously. Now there are some doubts it could win one war with one opponent, and in today’s world, it is unlikely to face only one of the West’s opponents at a time.
❖ The world has dramatically changed, it is a vastly different strategic world, Australia’s policies, funding, defence posture and national resilience needs to change, and it needs to change now. The priority of government should be the development of an effective, open and honest National Security Strategy, covering the nation as a whole. In addition, effective oversight of the strategic ‘defence’ function from within parliament is currently non-existent, and a new parliamentary committee should be formed based on the model of that used for intelligence and security.

Policy Recommendation

❖ The priority of government should be the development of an effective and honest National Security Strategy, covering the nation as a whole. In addition, effective oversight of the national security strategy function from within parliament is currently non-existent, and a new parliamentary committee should be formed based on the model of that used for intelligence and security concentrating on strategy oversight.

Our Uncertain Strategic World

Australia has benefited tremendously from the United States-led world order. It has brought unprecedented peace and prosperity. But the world is changing quickly. Regrettably, the United States is no longer the globally-dominant force we are accustomed to it being. A generation ago, the United States was confident of winning in ‘two and a half’ simultaneous wars, but by their own admission they are now far less certain of their supremacy. Yet war between great powers is once again a distinct possibility, and nations throughout the world and our region are preparing. Although the military power of the United States remains formidable, it is in relative and in some areas absolute decline compared to its strategic rivals.
A RAND analysis from 2016, *War With China? Thinking Through the Unthinkable* suggests that in at least one case the United States is not even necessarily capable of triumphing in one war in one region against one strategic rival. Unlike the United States, its potential challengers do not have world-wide responsibilities and can concentrate their forces. The United States retains extensive commitments to defend its allies around the world – from the Baltic through the Middle East to our own region. This is a recipe for trouble because the United States’ global commitments outweigh its declining global capabilities. Though serious thinkers in the United States are beginning to recognise this, it may take decades for them to recalibrate. In the meantime, a global conflagration would potentially leave some American allies, Australia included, without the level of assistance they might expect.

The uncertain strategic environment is of utmost importance to Australia. We have nested behind the protection of the United States for generations, safe in the confidence that they would help us with any security threat that may emerge in the region. Our defence preparations have reflected this confidence. The protection of our ‘great and powerful friend’ has allowed us to dedicate a minimal level of resources to our nation’s defence. We have concentrated on butter, confident that the United States would supply the guns. Since 1945, our defence force has been optimized to provide small forces to assist allies in other parts of the world, and the ADF has done this brilliantly. But it is not optimised for modern joint operations under Australian commanders in defence of Australian interests in modern warfighting operations, either by itself or with allies, and just as importantly, neither is the nation.

For most of the post-1945 period our region was a strategic backwater, with great power competition centred on Europe and, to a lesser extent, North and South East Asia and the Middle East. But the Pacific is emerging as the central theatre of great power competition in the years to come. Instead of the Fulda Gap as a flashpoint, we are now discussing Taiwan and the South China Sea, or the Malacca Straits – Australia’s backyard.

The government I have served in, to its credit, is embarking on the biggest rearmament program in Australia’s peacetime history, dedicating some $200 billion in expenditure over the next decade. However, the commitment and vision of the expansion is sadly hindered by the slow timelines associated with the biggest and most important of these projects. Nevertheless the Abbott, Turnbull and Morrison governments should be congratulated for their increased emphasis on defence, and it is a sign that defence is perhaps returning to a level of seriousness unseen for half a century. Increased funding is a welcome development, but there are important aspects of Australia’s national security that require at least as much attention as the level of expenditure. Improving national security is not simply a matter of increasing defence expenditure – it is also vital to get many other details right.

For a long time but particularly from the time I became chair of the Defence Sub-Committee of the Joint Standing Committee on Foreign Affairs, Defence and Trade in September 2018, it became apparent that there are two key areas we need to improve. First, Australia must develop a national security strategy relevant to 21st century challenges. Second, we must also establish a more effective parliamentary oversight of what has been generally referred to as ‘defence’, but is really national security. Reforms in these two areas should go hand in hand. These should be our defence policy priorities moving forward.

**A National Security Strategy**

My own view for some decades has been that Australia needs to move towards a holistic security strategy directed much more specifically by government. This is far more than just a defence white paper. Defence is only one aspect of national security. National security is a function of resilience in many areas such as liquid fuels, energy, industry, water, food and transport, to mention just a few. A National Security Strategy (NSS) always should come first and once the national strategy is decided, then sub-sections of the nation, such as defence or energy, can produce white papers to achieve that strategy.

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**We have concentrated on butter, confident that the United States would supply the guns.**
Any NSS must start with an acknowledgement of the principal threats to Australia in a changing strategic environment. We might not be able to publicly name threat nations, as the United States has been able to do in its recent National Security Strategy, but publicly it is possible to sign up to one or a number of indicative concepts of operations which address the kind of wars and conflicts that Australia might face, when we might be likely to face them, and how we would fight such a war. This should, like the American NSS, be a public document.

By starting with the evolving threat, even an indicative public one, an assessment of the strategic, operational and tactical requirements of the ADF and the nation can be made. For years I have been asked by the media if 12 submarines is the right number for the RAN. The answer of course depends on what do you want to do with them, and that is what a NSS provides. But not all security threats are military, and the military depends heavily on non-military aspects of the nation. Far more than the ADF is needed for national security, so the analysis must go beyond purely military concerns to include social, financial and economic factors that could affect Australia’s ability to survive future challenges including war. That can only be done by government.

Australia needs to work towards a truly integrated security strategy that is future-focused and based on a realistic assessment of the security challenges the nation faces. Australia is unlikely to have to face just one threat at a time, that is the nature of war in the 21st century. The interconnectedness and technological sophistication of the modern world makes for a threat environment more complex than ever before. It includes terrorist and cyber threats, the potential for financial crisis, economic warfare, and open state on state warfare that could start in one region and spiral out of control into global conflagration involving the United States, its enemies and its allies.

At present, the fundamental problem is that Australia, despite an improving level of defence spending, doesn’t have a comprehensive national security strategy. There is only limited consensus on the main security challenges we will face in the years to come, and only government can finally decide the threat, the level of expenditure to meet that threat and the amount of risk to take on behalf of the people of Australia. But it must ultimately be up to the people of Australia, or at least their parliamentary representatives, to judge how a government is managing that challenge.

When defence is raised in private or public debate and discussion, the focus is always on equipment and tactics, rarely if ever on strategy. Strategic uncertainty affects all aspects of the force-structure debate and is a major impediment to getting the right security and defence strategies in place. It means that those who are interested are not working from a consistent set of assumptions about how to fight, where to fight, who can fight, when we need to be prepared to fight or how long we can fight for. As a result, we have little agreement about what to buy in order to win a fight. The connection from government policy, through strategy, to concepts of operations and tactics are critical.

There is even uncertainty about what it would mean to ‘win’. Although the word is often used, there is no consensus around how we will win, when we might be able to win, and who we could beat. This has been a deficiency in every defence white paper since 1976, where tactics and procurement have never been linked to an overarching strategy. And if you look in detail, not one single defence white paper has ever been fully implemented. We have gotten away with this ridiculous situation for decades only because we have not needed to have a sovereign capability, but could always rely on the United States.

Australia’s implied national security strategy has been to support allies so that, in some unspecified future crisis, they might support us. That approach, concentrated only on defence, is now demonstrably
In many ways the nation is in denial, but, to its credit, the Coalition government is leading, and in comparison to the previous government, is doing well.

This would not require Australia to start from scratch. Prime Minister Gillard produced one in 2013 but it has proven to be far too optimistic about the regional environment. We could alternatively look towards our allies for examples of how to approach developing a NSS. The United States produces regular updates to its own NSS, and the last was an emphatic statement of its approach to the changing world and has strong relevance to our region.

The United Kingdom would be a solid example for Australia to emulate. In 2010, for the first time, the British government announced a NSS for the 21st century, and it was again updated in 2015. As former Prime Minister David Cameron wrote in the foreword to the UK’s 2015 National Security Strategy and Strategic Defence and Security Review:

“At its heart is an understanding that we cannot choose between conventional defences against state-based threats and the need to counter threats that do not recognise borders. Today we face both and we must respond to both. So over the course of this Parliament our priorities are to deter state-based threats, tackle terrorism, remain a world leader in cyber security and ensure we have the capability to respond rapidly to crises as they emerge. To meet these priorities we will continue to harness all the tools of national power available to us, coordinated through the National Security Council, to deliver a ‘full-spectrum approach’.”

Australia must also develop a ‘full-spectrum’ approach because in the 21st century we face a diverse array of security threats that we must be prepared to deal with, perhaps simultaneously. Much like the United Kingdom, we need to make realistic appraisals of the types of threats Australia is likely to face. These could be from non-state actors (terrorism, criminal syndicates), states (military threats or foreign influence activities), technology (cyber threats), or coming from the global system (economic or financial turmoil, pandemics). We need to focus on determining what the most likely threats to Australia are in the foreseeable future, and whether these threats may come at us simultaneously, so that in the case of a future multi-faceted crisis we have a blueprint for action.

Reforming Parliament’s Oversight of Security

A NSS would require a level of bipartisanship that, in a democratic system, can only be attained through a degree of parliamentary oversight. As a means of reaching at least a minimum of bipartisanship in this area, and to allow a greater degree of parliamentary oversight of the strategy behind national security, it is necessary to reform the parliament’s security oversight function.

This was the subject of a report of the Defence Sub-Committee of the Joint Standing Committee on Foreign Affairs, Defence and Trade which I, as Chair, tabled in November 2018.
The inquiry examined whether Australia’s defence capability planning could be strengthened through a formal bipartisan agreement similar to arrangements that apply in some other countries. The idea being that a bipartisan agreement might take the heat and political opportunism out of the consideration of defence planning and defence acquisitions, with resultant benefits to long term defence capability planning.

The inquiry commenced as an attempt to establish bipartisanship in defence policy and concluded that under Australia’s system of government, the only feasible way to foster at least some degree of bipartisanship was to establish a new and effective committee that had real powers of oversight along the lines of the Parliamentary Joint Committee on Intelligence and Security (PJCIS).

Through its committees, the Parliament discusses and debates complex areas of policy and can reach agreement on solutions that transcend party lines to advance the interests of all Australians.

Most of the assessments that inform and guide defence planning are classified and therefore, currently unavailable to such parliamentary committees. This makes meaningful parliamentary scrutiny of the decisions and actions that flow from them absolutely impossible. This experience is common to other parliamentary committees scrutinising defence projects, notably the Joint Committee on Public Accounts and Audit and the Public Works Committee.

Certain defence strategy and planning documents, and the risk and security assessments that inform them, must at this stage be classified. However, parliament appropriates the money that pays for the work that goes into producing them and it appropriates the money to implement the planning and acquisitions that flow from them. Parliament has a constitutional right to the information necessary to properly oversee defence. A high security or commercial-in-confidence classification shouldn’t be used as a veil to prevent or obstruct parliamentary scrutiny of defence strategy, capability planning, investment decisions and expenditure.

Parliamentary accountability is central to the effective operation of Australia’s system of responsible government. The parliament currently has only limited visibility over the defence portfolio, which is one of Australia’s largest and most important areas of government expenditure. Too often, security classification is used to protect information not from an enemy, but from the people of Australia. It is the Australian people’s defence and security, and we have the right to know the basis on which our defence rests.

If we are to deter conflict, our likely opponents must know that we have the ability to win, but for some reason we in Australia keep this most secret, which could be interpreted as hiding weakness. At present, no one can make a fair judgement on the efficacy of any government in the area of defence and security because none of us know enough. No one of course, except the intelligence agencies of foreign powers who study us remorselessly. In my view, only real world contingency planning and certain commercial arrangements should be classified.

The Sub-Committee’s most important recommendation was to establish a new statutory parliamentary committee with an exclusive focus on the strategy that is popularly called ‘defence’. This new committee, with a legislated mandate to review national security strategy, planning and investment decisions – and with the powers to access information under safeguards and protections similar to those applying to the PJCIS – would provide a means for the parliament to discuss and debate classified areas of defence policy based on a coherent strategy, and reach agreement on solutions that transcend party lines to advance the interests of all Australians.
We know this model works and that it can adequately safeguard classified information. It is routinely demonstrated by the PJCIS. In recent inquiries into a range of bills, including foreign interference and counter encryption laws, the PJCIS provided a forum where senior government and opposition members and senators, informed by the relevant classified information, engaged in robust private debate on the appropriateness of these laws and arrived at an agreed public position on the final form the laws should take. As a member of the PJCIS, I observed how parliamentarians can thrash out ideas to reach an agreed position in the national interest, and it works.

Defence is as important as intelligence and security, and needs the same approach where strategy, capability planning, investment decisions and proposed expenditure can be subject to an informed debate in private to arrive at an agreed public position: thus, as the Report’s title suggests, providing both contestability and consensus.

A new parliamentary defence committee would be a significant reform, but the government and parliament must recognise that the prevalence of highly classified information in the defence portfolio requires an appropriate response to restore parliament’s capacity to fulfil its accountability function. Otherwise, parliament should not pretend it has the function.

A written bipartisan defence agreement would not be the most appropriate approach in the Australian political and constitutional context. Instead, what I suggest is required is a means to achieve bipartisan understanding of the strategic threats to Australia and the available policy and military responses, and necessary military capability. It would be best to achieve this level of understanding through heightened parliamentary engagement in defence and security issues.

Bipartisanship has attracted its share of criticism. However, many of the weaknesses of bipartisanship are addressed by the PJCIS model. The PJCIS encourages well-informed internal debate between government and opposition parties on how to best address Australia’s national security challenges, but it must start from a coherent national security strategy. This robustness is also on display by implications almost every day in our parliament as reports are tabled.

Bipartisan agreement on defence, as opposed to other policies areas such as welfare, health and education, is warranted because key information on defence is not readily available and cannot be made available without safeguards. Defence policy, particularly the alignment between strategic need and military capability, is complex and often sensitive especially in contingency planning, and the defence portfolio is one of the largest areas of government expenditure where the government has the most discretion in making large investment decisions.
In December 2018 the ABC reported claims that there were significant problems with Australia’s future submarines, a key part of Australia’s rearmament program. It suggested, on the basis of leaks from the Department of Defence, that the submarines would likely arrive late and cost more than anticipated.

This particular case illustrates the core problem with how parliamentary oversight of defence is handled in Australia. As things currently stand, decisions of national importance are made behind closed doors. The public, and even parliamentarians, must rely on promotional releases or leaked details for information about major defence programs.

As has been stated, there are many valid reasons for secrecy. But secrecy in most cases doesn’t have to take precedence over accountability and good standards of governance. And of course, openness on general defence issues is a key part of deterring conflict.

This might sound all very bureaucratic and ‘inside the Canberra bubble’, but it is sensible and critically important. The problem is that on the major issues of defence which parliament should have oversight, the existing Sub-Committee is impotent because it cannot receive classified information. As has been stated, anything worth knowing in defence is classified and much of it should not be.

A new parliamentary defence committee would focus defence issues, particularly national security strategy, within the parliament where it should be. The PJCIS as a point of comparison may not be perfect, but it is valued and functional; I have served on that committee and seen its benefits. Why is it that intelligence and security are considered more worthy of effective parliamentary oversight than is defence? Those days have long since passed.
Conclusion

Whatever the question is on national security, the answer is a National Security Strategy. National security is not just a function of the defence force and the security agencies, it is a function of the nation as whole. Only the government can produce a NSS, it must start from an analysis of the threat or threats, and it must cover every aspect, military, political, economic and social, of the nation. We tend now to assume that security is addressed by irregular Defence or other White Papers. Once a NSS is established and regularly and openly reviewed, then all aspects of our complex nation would be required to produce their own White Papers, integrated by the NSS.

The Defence Sub-Committee, supposedly overseeing Defence, cannot even do that limited aspect of security as it is currently structured. With our changing strategic environment obliging us to treat defence with a new level of seriousness, it is necessary to establish a new joint parliamentary committee. It should focus at least initially on strategy because there is nothing more important than strategy. A NSS could be devised sub-optimally by the existing Sub-Committee using unclassified sources such as think tanks, academia and the public. But imagine how much more effective parliament could be if it could supplement public source materials with classified information from officials.

With effective oversight, the parliament and the nation would not have to rely on leaked, potentially sensitive, details to the media. Points of contention could be debated while maintaining the appropriate level of secrecy about sensitive programs, as they are in the PJCIS. And, perhaps most importantly, such a parliamentary committee could assist in bringing the nation to a realisation of the relative importance of defence and security, compared with other demands on the nation’s purse and attention.

A good government that runs the largest rearmament program in Australia’s peacetime history may not see the need for more oversight or for stressing the strategic environment in the run-up to an election. But those of us who were in the Defence Department or the ADF in 2007 remember that the last major investment in defence under the Howard government that tried to overcome years of neglect was blown away by an incoming government that placed no importance on defence expenditure compared with pink batts, school halls and increased welfare, and ran down defence to historically low levels.

We may have been able to survive that in 2007, but the world has changed dangerously, national security is overwhelmingly important, and parliament and government must carry the people with them. On defence, it is the job of parliamentarians to lead.

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Policy Recommendation

The priority of government should be the development of an effective and honest National Security Strategy, covering the nation as a whole. In addition, effective oversight of the national security strategy function from within parliament is currently non-existent, and a new parliamentary committee should be formed based on the model of that used for intelligence and security concentrating on strategy oversight.
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