

Maritime strategy and Australia's future in an Asia-Pacific century

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Despite being the world's largest island, Australia lacks a maritime consciousness. In a globalised world increasingly dominated by Asian economic and military power, Australian defence thinking must undergo a philosophical change. A credible maritime narrative and strategy need to be developed. Challenges, though, include a dysfunctional political culture rooted in alliance dependency and low defence spending; a shifting strategic environment; and a 2016 Defence white paper which provided for increased naval assets, but failed to define a maritime strategy. If Australia is to ensure both its future geopolitical interests and its economic prosperity, the country must make a strategic and philosophical compact with its Asian oceanic domain.

Key words: Australia; sea power; maritime strategy; political culture; Asia-Pacific; Defence white papers.

"In order to thrive in the twenty-first century, a country with an interest in the use of the sea needs to develop and implement a coherent maritime strategy – galvanizing the sea power of the state and society."

Chris Parry (2014)

In national security affairs, what often marks Australia's experience is an insular imagination, a feature that is most striking when it comes to understanding the importance of the sea. Despite being an island-continent dependent on seaborne trade for prosperity, Australia has undergone a two-century long adolescence in appreciating the significance of the ocean in strategy. This situation is largely due to the historical circumstances of European settlement and the naval dominance of first Britain, and then the United States, in the 19th and 20th centuries, respectively. The great umbrella of British and American sea power has long allowed Australia to adopt an attitude of *mare incognitum*. As a result, although the country is 'girt by sea', the most important aspect of Australian identity is a not a sense of island-awareness but a continental consciousness that manifests itself through a literature that celebrates landscape and a martial tradition that upholds the exploits of soldiers.

Yet, in the first quarter of the 21st century, there is growing evidence to suggest that Australia's historical indifference towards the significance of the sea is being eroded by the geopolitical transformation of the Asia-Pacific region into the world's new economic heartland. The Gillard government's national security strategy reflected this transformation in global power by stating, "we are entering a new national security era in which the economic and strategic change occurring in our

region will be the most significant influence on our national security environment and policies" (Prime Minister and Cabinet 2013). Similarly, the government's Asian century white paper, notes that, "as the global centre of gravity shifts to our region, the tyranny of distance is being replaced by the prospects of proximity" (Australian Government 2012). More recently, the 2016 Defence white paper affirms that "the geography of the archipelago to Australia's immediate north will always have particular significance to our security" (Defence 2016).

Regional strategic change and Asia-Pacific proximity mean that Australia will have to develop a new appreciation of the importance of a maritime environment – a process which will require a revolution in Australian geopolitical thinking. This paper argues that, if Australia is to ensure both its future geopolitical interests and its economic prosperity, the country must make a strategic and philosophical compact with its Asian oceanic domain. A rendezvous between cultural history and physical geography must be forged on the anvil of enhanced maritime awareness.

Such a process will be both challenging and unpredictable, and will require a difficult and protracted journey of geopolitical re-orientation throughout the course of the 21st century. Any national re-orientation in geopolitical thought will need to involve two vital maritime facets.

First, Australia must acquire a greater understanding of the workings of maritime strategy – an awareness that embraces a systemic view of sea power – and one that is appropriate for an age

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dominated by the international political economy of globalisation with its interconnected trade, financial and information networks.

Second, and perhaps most importantly, Australia must seek to underpin a maritime strategic outlook with a national narrative on the importance of the sea to the country's destiny in a globalised age. If the nation is to undertake a geopolitical re-conception of itself, not merely as a vast continent but as an island-nation at ease with the promise of economic prosperity emanating from Asia, then it must view the seas around it as highways to a prosperous future.

It is through embracing full-blooded maritime thinking that Australia can best shape its future as an open society. This is a challenge that will surely test the Australian people's capacity for re-invention by accelerating a long-delayed rendezvous between continent and island and between history and geography.

The Burden of the Past: Developing a Systemic View of Australian Sea Power

The enduring paradox of modern Australian history is one of an island-continent inhabited for over two centuries by a largely Anglo-Celtic people without a significant maritime identity. In the 19th and 20th centuries, given that maritime security was assured by Western great power protectors, Australia's contribution to upholding a favourable international order – from the Boer War through the two World Wars to Vietnam – was based on deploying mainly land-force contingents. The Australian experience of war has long been defined in the national imagination by volunteer soldiers at Gallipoli and on the Western Front and is symbolised by the power of Anzac mythology. While army-centric expeditionary warfare of the kind recently seen in Afghanistan and Iraq is unlikely to disappear from Australia's 21st century defence arsenal, the country needs to consider the maritime component of strategy in much greater breadth. While this approach remains in its infancy, the importance of the maritime domain has been conceded by the strategic direction and force structure imperatives of recent Defence documents including three white papers (Defence 2009; 2013; 2016).

Current Defence policy

The 2013 white paper concluded that, "Australia's geography requires a maritime strategy. Accordingly, long-term capability acquisition has concentrated on re-equipping the RAN for a larger blue-water role – including a welcome return to capital shipping in the form of two large helicopter carriers. The combination of air warfare destroyers, landing helicopter docks for the RAN and a new combined arms amphibious approach by the Army through Plan Beersheba – alongside plans for new submarines – can be seen as an attempt at generational change towards the use of the sea in Australian strategic thinking." (Defence 2013)

The 2016 white paper attempts to give much-

needed flesh to the bones of future capability by setting out "the most ambitious plan to regenerate the Royal Australian Navy since the Second World War", pledging a revived naval shipbuilding industry and promising that defence spending will reach 2 per cent of GDP by 2020-21 (Defence 2016).

Economic and political challenges

An estimated A\$195 billion will be required to refit the Australian fleet over the next decade or more – including a commitment to building twelve new 'regionally superior submarines', nine new frigates and an array of patrol vessels – and all of this funding must be found from within a national budget under severe pressure from falling revenues, rising debt and increasing social welfare and health care costs.

Although the latest Defence white paper is accompanied by a 10-year investment plan designed to culminate at 2 per cent of GDP over the next five years, it remains to be seen whether funding can be sustained at the political level in the years ahead in the face of faltering national economic performance. In May 2015, the International Institute for Management Development *World Competitiveness Yearbook* showed that Australia had dropped four places in the world's economic competitiveness rankings – to 28th – since 2014 and had dropped no less than 15 places overall since 2010 (IMD 2015). In addition, Australia's gross government debt has risen from A\$59 billion in June 2008 to A\$430 billion (or 26.3 per cent of GDP) in June 2015.

Compounding the economic challenge to defence expenditure, is a poll-driven malaise that has gripped the entire Australian political system since 2010 – a malaise which has led not just to five prime ministers in five years but to the appointment of six defence ministers in eight years. Given such flux and, the publication of a more coherent 2016 Defence white paper notwithstanding, there is no guarantee that the domestic political economy will be capable of matching Australia's strategic ambitions over the next decade.

If the demands of a difficult budgetary and policy environment were not enough to test Canberra in defence matters, Australia is further challenged by two other crucial issues: a rapidly shifting geostrategic environment in the Asia-Pacific region; and increased American expectations of Australia's role as an ally in that region.

Geostrategic environment

Australia is located in an Asia-Pacific geostrategic environment that reflects the most dynamic economic region in the world. By 2050, it is estimated that Asia will represent half of the world's global economic output. In Australia's 'front yard' of South-East Asia, the 10 countries of the Association of South-East Asian Nations (ASEAN) now number 620 million people with a combined gross domestic product estimated in 2012 to be worth US\$2.2 trillion, a figure that is estimated to

double on present trends by 2022. Both Australia and the countries of South-East Asia vividly reflect the rise of China as an economic behemoth. Beijing takes 29 per cent of Australian exports and is the nation's largest trading partner. Meanwhile, direct Chinese investment into the ASEAN countries is over 60 per cent – a situation that, when combined with China's growing military strength, is likely to make South-East Asia a zone of global strategic importance for the first time since the middle of the Cold War. A new and uncomfortable equation of Chinese economic influence and growing military strength is likely to face Australia and the ASEAN nations over the next three decades with unknown consequences.

American expectations

Not surprisingly, the economic and strategic transformation of the Asia-Pacific has attracted sharp attention from Australia's key defence ally, the United States. In March 2015, the Pentagon released a sea power strategy which calls for a 'global network of navies' both to ensure *mare liberum* (freedom of the sea) and to hedge against China's emergence as a maritime rival (United States Navy 2015). In an interconnected world that pivots on Asia-Pacific trade, the strategy seeks to embed American and allied sea power into a 'co-operative systemic strategy' embracing deterrence, sea control, power projection, maritime security and 'all-domain access'.

A second maritime security document of August 2015 seeks to hedge against "China's rise as a political, economic and military actor [which is] a defining characteristic of the 21st century" (Defense 2015). The study foresees the evolution of complex Sino-American relationship – one that may fall short of outright military conflict but one that contains both elements of economic co-operation and strategic competition.

Perhaps the most novel aspect of the American desire in 2015-16 to reinforce the American-led balance of power in the Asia-Pacific is the commitment by Washington to a new South-East Asia maritime security initiative designed to build the capacity of ASEAN countries through a strategic partnership aimed at upholding a rules-based regional architecture.

Yet questions remain about political American will. A January 2016 report of the Center for Strategic and International Studies noted that the United States has not yet crafted an effective strategy towards the Asia-Pacific region (CSIS 2016). By 2030, the People's Liberation Army Navy is likely to acquire multiple aircraft carrier strike groups and within 15 years "the South China Sea will be virtually a Chinese lake, as the Caribbean or the Gulf of Mexico is for the United States".

To counter a swiftly shifting balance of Asian maritime power, the report envisages an enhanced role for American allies and partners in the Asia-Pacific. Referring specifically to Australia the document notes, "as the United States rebalances to the Asia-Pacific and

redistributes its military presence, Australia's value as a political ally and military partner – combined with its geographical location – are reinforcing its strategic importance to the United States". For the first time in 40 years, American expectations of Australia as an ally are centred on the region:

"Canberra's assistance is increasingly required in the Asia-Pacific region itself ... As maritime security challenges in the Asia-Pacific intensify, the US-Australia alliance is likely to have more of a regional focus than it has in recent decades and a stronger emphasis on cooperation in the maritime realm. To help manage shared challenges, the United States will increasingly rely on Australia for some critical capabilities." (CSIS 2016)

Australia's response

The conjunction of strategic change in the Asia-Pacific and pressures of heavier alliance burden-sharing are likely to act to put pressure on a greater Australian contribution towards a forging a United States-led systemic maritime strategy. While Australia's 2016 Defence white paper concedes the importance of naval capabilities and of working with the United States and other allies, it falls short of articulating a conceptual framework for a systemic maritime strategy. Indeed, there is no mention of the term maritime strategy in its pages. Instead, the 2016 White Paper focuses on investment and declares that, "modernising our maritime capabilities will be a key focus for Defence over the next 20 to 30 years".

Unfortunately, a by-product of such a powerful capability commitment is that it perpetuates a long Australian tradition of confusing naval warfare with maritime strategy. Australia's current sea power debate is far too concentrated upon statistics and technology – on numbers of submarines, the uses of large amphibious ships and the huge financial expense such capabilities entail. There is far less appreciation of the intersection between political economy and strategic rationale. For example, there has never been a formal strategic analysis in the public realm justifying the number of conventional submarines Australia's security actually demands. This is a remarkable situation given that the next 30 years are likely to witness rapid technological developments in robotic submersibles, sensor systems and mine warfare at sea alongside 'mix and match' naval vessel modularisation, space-based surveillance and open-systems architecture. What these new capabilities may mean for long-term national maritime strategy is largely missing in Australia's strategic debate.

Reconceived Geopolitics: Developing a National Maritime Narrative

Australia needs to find a synthesis between history and geography, continent and island – an approach that is surely best facilitated by cultivation of an outward maritime outlook aimed at increasing security and

wealth. Australia can only prosper in the future if it helps to uphold an open world economy with access to international trade and investment. The country needs a reaching-out strategy, not a drawing-back strategy. Unfortunately, Australia has an ingrained attitude of dependence – internally on state and federal government largesse and externally on the security afforded by the great Western naval powers. As the poet, James McCauley, once observed, Australians have a penchant for national self-doubt tempered only by a spirit of resilience – what he describes in his poem *Envoi* as the beating of “a faint heart within a fair periphery”.

In the coming decades for the first time in its modern history, Australia will be situated near the centre rather than the periphery of global economic and geopolitical activity. The two great questions at hand are: can Australia seize the Asia-Pacific moment? Can the country become more mature in strategic outlook? The omens are not encouraging, simply because national prospects are hampered by the chronic introversion of a political class whose insular concerns have been described by the international historian, Niall Ferguson, as being “like Strathclyde Regional Council [rather] than a debate for the leadership of a major power in the Asia-Pacific”. The future challenge is clear: to overcome a creeping culture of financial debt, continental inwardness and political inhibition, in favour of a confident and outward vision that is more relevant for an island-nation intimately connected to the world economy.

Geopolitical reconceptualisation

There needs to be a geopolitical reconceptualisation of Australia as a nation based on skilled immigration, engagement in the Asia-Pacific region and one unafraid of a culture of dynamic entrepreneurship. The engine of prosperity for a future Australia is likely to be a new and vast global middle class tripling in number from 1.8 billion in 2015 to 4.9 billion by 2035 and much of this growth – fuelled by urbanisation, maritime trade and educational demand – will be in the Asia-Pacific. To exploit such a lucrative mass market Australia must look outward toward the sea, while the country will require a political class capable of promoting an outward spirit of vision and confidence.

While preparing Australia to meet the challenges of an Asia-Pacific economic future will require a statesmanship and policy sophistication that transcends the realm of maritime strategy, the reality of oceanic geography will increase the importance of a sense of national maritime awareness. There are two areas in which those concerned with Australia’s maritime identity and geopolitical destiny can make a major contribution in explaining the role of the sea to both policy-makers and the electorate.

Australian National Institute for Maritime Affairs

The first area concerns the need to create an Australian National Institute for Maritime Affairs (NIMA).

It beggars belief that a country with Australia’s huge exclusive economic zone (EEZ) of 10 million km² (10 per cent of world’s oceans) does not possess such a national body. A NIMA is necessary in order to tackle the malaise of national ‘sea-blindness’ and to assist in defining a long-term future relationship between the nation and the sea in a manner which integrates naval, commercial and shipping activities together. A national institute could serve as a centre for excellence on all matters connected to the promotion of Australia’s maritime domain, from state-based shipbuilding through border protection to an array of economic links with South-East Asia and the Pacific Islands. As Australian maritime analyst, Brett Biddington, writes:

“Perhaps the most outstanding task [in Australian maritime affairs] is for a narrative to be developed that explains the importance of the safety and security of Australia’s maritime domains to the nation’s broader national security interests and economic well-being. These matters have not been well-articulated to the broader public in a comprehensive and comprehensible way ... [What is needed] is a story that draws the strands together.” (Biddington 2014)

A NIMA is required to explain ‘the story’ to the nation of how long-term engagement and co-operation with the economic players of the dynamic Asia-Pacific Rim will enhance both national prosperity and physical security in the 21st century.

Defence Doctrine, Concepts and Development Centre

A second area of attention concerns the role of the Defence establishment in providing knowledge to promote an effective maritime dimension in national strategy. There is a need for the Australian Defence Force (ADF) to explain in clear and compelling terms the advantages to Australia of a maritime-systemic strategic approach and to explain the character of sea power and the role of joint forces in the new millennium. It is a major weakness that the current ADF lacks a central joint service and futures analysis centre along the lines of the successful British Ministry of Defence’s Doctrine, Concepts and Development Centre (DCDC). A joint studies organisation is required to help promote two important strategic realities. The first reality is that a national maritime outlook involves more than a navy and embraces all of the armed services. The second reality is that a maritime strategy must strive to be whole-of-government in character and include not only the military but other instruments of national power ranging from diplomacy to the market economy. As Parry (2014) explains:

“A maritime strategy that translates into real political, diplomatic and economic benefit nowadays is one that enables a country to exploit the advantages of globalisation in all its forms. As well as providing the ways in which threats to the country are deterred and defeated, armed forces are

actively used to further a country's commercial and national interests in the wider world."

To help bring about such intellectual unity of effort, the creation of a DCDC-style research and analysis organisation, suitably adapted for Australian conditions, is surely a critical defence requirement in the years ahead.

Conclusion

The first half of the 21st century is likely to see a transformed world and to yield a complex and globalised seascape – one that is at once competitive and unpredictable, with the world's population expected to reach 9 billion by 2045. The central region of economic and strategic activity will be the oceanic geography of the Asia-Pacific; and to manage this reality a broad-based and well-articulated national maritime strategy will be required by Australia. Increasingly, Australia's history and geography will require synthesis not separation – for in terms of geopolitics and economics, if not in cultural values – Australia's future lies north through the seas of the Asia-Pacific. Australia is not by identity and history an Asian country, but in geography and economics it is drawn inexorably towards an Eastern orbit.

Such a situation requires a statesman-like diplomacy of careful balance that melds core civilisational values with the economic needs of prosperity. The alibi of cultural kinship with the West that has facilitated so much of Australia's strategic dependency must, in the decades ahead, become tempered by a much greater spirit of strategic independence – an independence that is facilitated by a rendezvous with an Asian geopolitical destiny conceived in outward terms. It is a rendezvous that is in all its essential features a philosophical challenge – one that must blend a number of opposites into a new national tapestry: an Anglo-Celtic political history with an Asia-Pacific economic geography; regional defence imperatives with the demands of globalisation; a values-based American security alliance with closer Chinese economic relations; and the integration of older continental and expeditionary military traditions within a modern and integrated maritime strategic framework.

In the Asia-Pacific century ahead, navigating and balancing such competing demands will require inspired leadership and clear strategic thinking from all political parties. Australia may require an outward national spirit of maritime strategic activism – and perhaps even a spirit of Antipodean buccaneering – in which the surrounding seas are seen less as draw-bridged moats for physical security and more as a kind of Spanish Main of open highways to wealth and prosperity.

In 1912, the poet, Bernard O'Dowd, in a celebration of continental consciousness, called Australia the 'Eldorado of old dreamers' – at once a temple to be built, a scroll to be written upon and a prophecy to be fulfilled. The challenge before Australians in the new

millennium is both different and similar: it is to recognise its continental *alter ego* – its second self, in the form of island-consciousness and yet still to seize the O'Dowdian vision of Eldorado – only this time in the rhetorical form of a younger dream – one of a maritime destiny with its promise of limitless horizons.

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