

Back to the drawing board on our survival strategy

by **Hugh White**

Australian Financial Review, 12 October 2020

Link: <https://www.afr.com/policy/foreign-affairs/back-to-the-drawing-board-on-our-survival-strategy-20201007-p562us>

Scott Morrison was not exaggerating back in July when he compared Australia's strategic circumstances today with the late 1930s and the lead-up to World War II.

Back then a rising regional power with big strategic ambitions looked more and more threatening, while our major ally, Great Britain, looked less and less reliable.

Australians had no choice but to start thinking seriously about what they could do for their own defence, but they left it too late and they were quite unprepared when the disaster fell in 1941. Luckily America came to our rescue.

Of course China today is nothing like Japan in 1941. But it is clearly determined to take America's place as the leading power in East Asia and the Western Pacific.

That directly challenges Australia's long-held conviction – dating back to not just to 1941 but to 1788 – that our security absolutely depends on Asia being dominated by close Anglo-Saxon allies – first Britain, then America.

China's challenge to the Anglo-Saxon dominance of Asia is, so far, much less militaristic and violent than Japan's was 80 years ago, but in the long run it is more formidable. That is because [China is so much more wealthy](#), and hence a lot more powerful, today than Japan was in 1941. Japanese GDP then was perhaps one-fifth of America's, whereas today Chinese GDP is well on the way to overtaking America's.

Even [without COVID-19](#), and even without Donald Trump, China today poses the most serious challenge ever to America's strategic position in Asia. For all the tough talk in Washington of a "new Cold War", there is no clear way for the United States to resist China's ambitions without risking a major war, which it seems quite unwilling to fight and cannot win. So it is time to recognise that we are probably seeing the end of the American era in Asia, and the beginning of Chinese-dominated era.

That means Australians should start thinking hard about how we prepare ourselves to survive and hopefully flourish when we can no longer rely on America for our security.

Despite much diplomatic hype about building new alliances in our region, we rely on our Asian neighbours to look after us. We must work out how to manage our relations with a powerful and assertive China on our own. That would be hard even if China was not our primary source of economic opportunities in the decades ahead. The fact that it is makes this the toughest diplomatic and strategic test we have ever faced as a nation.

Clearly we have a long way to go before we get this right. We must strike the right balance between excessive deference towards Beijing and unnecessary provocation. The first step might be to realise that China's power and ambition is not going to go away, as some people in Canberra seem to hope and expect. They are new realities that we must learn to live with and manage as best we can.

Armed force will not solve this problem by itself, but it will have an important part to play. Even if China does not become military aggressive, like all hegemonic powers it will use the threat of force - explicit or implied - to encourage or compel compliance with its wishes. How much freedom of manoeuvre we retain will depend not just on the quality of our diplomacy but on the credibility of our military capacity to resist such threats.

This is the immense challenge facing Australian defence policy today. Our task is to build armed forces that would allow us to defend ourselves independently from a major power like China. This is a far harder challenge than we have ever faced before, and it requires us to rethink our approach to defence from the ground up.

So far this work has hardly begun. The government's *Defence Strategic Update*, published in July, was quite clear about the radical shift in our strategic circumstances, but it proposed no significant changes to Australia's defence policy or posture, or to our force development plans.

Almost all the much-quoted investment figure of \$270 billion had been committed years ago. And vital acquisitions have been left to follow their slow meandering pace. To take the most flagrant example, the first of the new Attack class submarines will not enter service until, at the earliest, 2034 – and probably much later. Our submarine fleet will not grow beyond the current six boats until well into the 2040s.

And with delays in upgrading the current Collins boats there is a very serious and rapidly growing risk that our submarine capability will in fact decline over the next couple of decades before the new boats enter service. Maybe that didn't matter in the 1990s, but it matters now.

Australia cannot afford this complacency. As we face new and unprecedented strategic challenges, we need to go back to basics and redesign our defence policy from scratch. That means defining what exactly we need our forces to be able to do, what kinds of

operations they need to be able to perform, what forces can most cost-effectively perform them, and how those forces can be built and sustained as quickly as possible. And before any of that can happen, the government needs to understand that it is not enough simply to describe our deteriorating strategic situation. It needs to do something about it. Quickly.

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