



# **Submission No 1**

## **Inquiry into Australia's Defence Relations with the United States**

**Organisation:** The Returned & Services League of Australia  
Limited

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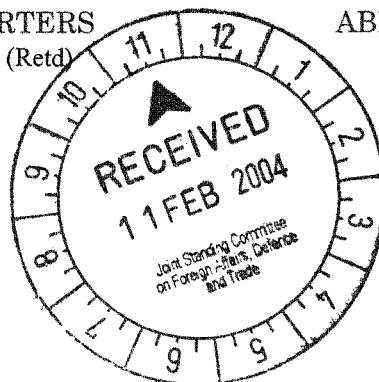
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IN 1916

# THE RETURNED & SERVICES LEAGUE OF AUSTRALIA LIMITED

NATIONAL HEADQUARTERS

ABN 63 008 488 097

From: Major General W J Crews AO (Retd)  
National President



R2-22-1/ACR/cc  
10 February 2004

NP034/04

The Secretary  
Defence Sub-Committee  
Joint Standing Committee on Foreign Affairs, Defence and Trade  
Parliament House  
CANBERRA ACT 2600

Dear Secretary,

Please find enclosed the Returned & Services League of Australia's submission to the **Inquiry Into Australia's Defence Relations With The US.**

Your submission guidelines requested that submissions be prefaced with a brief summary of the main points. This brief summary follows. However, primary within this submission is that the Returned & Services League of Australia believes most strongly that it is mandatory that Australia maintain absolute independence in any matter or action within the alliance and that the US Government and its planning and executive bodies, civil or military, are clearly aware of this independence in thought, word and deed.

### Summary of Main Points.

Australia's alliance with the United States of America is vital to ensure:

- Deterrent credibility against predators on Australia's integrity;
- Adequate response to defeat an attack on Australia;
- that Australia can keep pace with modern defence intellectual thinking and technology;
- Australia obtains adequate global defence intelligence to counter threats to the Nation and prepare for the future; and
- Support for Australian Defence and Foreign Affairs responsibilities within Australia's areas of interest.

To maintain and strengthen the alliance Australia should:

- Maintain and improve our force structure and capabilities to ensure self-reliance against any likely threat to our integrity.
- Nurture the channels of communication and close liaison between Australia and the US. To improve communication and exchange of ideas, we recommend that the Australian Attorney General should attend the AUSMIN conferences and the Secretary for Homeland Defence in the US should be also invited to attend;

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- Mutually support US Homeland Security and use the legacy of the defence alliance to assist in the development of intelligence, equipment,

nations;

- Encourage US interest in Australia's area of interest and establish clear responsibilities and limitations for Australia's and the US' involvement in the Asia-Pacific region. Also Australia must have a force structure and capability to do this to meet our singular regional and self-reliant defence responsibilities;
- Assist the US in its defence measures where that assistance is clearly in Australia's national interest and capabilities, and
- Take responsibility for and encourage further and regular defence dialogue with our near neighbours: New Zealand, Papua New Guinea, Indonesia, Malaysia, Singapore, and the Micronesian and Melanesian island states.

Yours sincerely



Bill Crews

Enclosure:

1. RSL submission

## **A SUBMISSION BY THE RETURNED & SERVICES LEAGUE OF AUSTRALIA**

### **INQUIRY INTO AUSTRALIA'S DEFENCE RELATIONS WITH THE US**

**Introduction.** The ANZUS Treaty has existed as a significant element of Australia's defence for 52 years and was a result of the relationship developed by the two nations during the most critical stage of World War II. In 1942, Prime Minister John Curtin famously declared, "Australia was turning to America as its principal guarantor of security". The ANZUS Treaty still remains central to security relations between Australia and the United States of America.

**Layout.** This submission first considers the nine focus areas of the invitation for submissions dated 8 December 2003, then considers a further 8 pertinent aspects before concluding.

#### **1. The applicability of the ANZUS Treaty to Australia's defence and security**

The RSL contends that the ANZUS Treaty is entirely applicable to Australia's defence and security interests now and for the foreseeable future. The main reason for this is that Australia continues to enjoy the defence and security benefits of being, and of being perceived to be, a very close ally of the most economically and militarily powerful country on earth. The prime defence and security benefit Australia obtains is the fact that the Treaty provides a strong deterrent to any nation state aggressor with designs on Australia or Australia's interests. The RSL considers nation state aggressors antagonistic towards Australia are highly unlikely to risk involving the United States of America by taking aggressive action against Australia.

That said, the terms of the ANZUS Treaty do not provide an iron clad guarantee of the future security of Australia. Invoking the ANZUS Treaty must involve the constitutional processes of the three nations which are signatories to the Treaty. As New Zealand has to all intents and purposes placed itself outside the terms of the Treaty, this submission considers solely the Australian/American aspects and implications.

The Treaty may be invoked by either Australia or the United States of America if it is in the national security interests of either nation to do so. Neither nation may invoke the Treaty until it perceives that the threat of the security of the other is such that it threatens its own security. Thus the ANZUS Treaty is a defence alliance without a specific threat designation.

These limitations on the invoking of the ANZUS Treaty in no way diminish its defence and security worth to Australia. The Treaty has stood the test of time and provides a security umbrella out of all proportion to its cost to Australia. The Treaty has not impinged on Australia's sovereignty and seems most unlikely so to do. More to the point, in contemporary circumstances it is irreplaceable.

For all these reasons the RSL asserts with vigour that the ANZUS Treaty remains entirely applicable to Australia's defence and security for the foreseeable future.

## 2. The value of US-Australian Intelligence sharing

As Australia's intelligence gathering capability lacks the resources to gather intelligence globally, and budgetary restrictions dictate that we will be unable to fill this void, it would appear prudent to maintain intelligence sharing with the US for global coverage. However, this capability should not be allowed to diminish Australia's intelligence gathering, or sharing of that intelligence, in the South-West Pacific region.

A possible weakness caused by sharing the same intelligence from similar sources is that we are likely to come to the same conclusions. Therefore, any intelligence gained by sharing with the US should be subject to thorough interpretation from the specific view of Australia's national interest.

Another weakness is that politicisation of intelligence, whether from the US or any other agencies, can warp the credibility of intelligence and incorrectly bias its national interest value. This weakness of politicisation must be guarded against by ensuring unbiased assessment of intelligence and accurate intelligence reporting throughout the chain of information and assessment.

The Australian experience of intelligence sharing with the United States of America and other allied or friendly nations has however provided many more benefits than it has disadvantages. Australia's geography, democratic system of government, relatively high standard of living, technical know how and competence in defence and security matters make it an ideal intelligence partner for our great and powerful friends. Australia is able to provide intelligence on our area of the world and, in return, Australia receives intelligence on other parts of the world which it would be unable to obtain without massive extra expenditure. In intelligence terms, Australia "boxes well above its weight" primarily because of its long standing and very valuable intelligence sharing arrangements with the USA and other allies. Another crucial advantage of intelligence sharing is the access it gives Australia in the diplomatic, defence and intelligence forums. As a trusted intelligence partner, Australia also gains knowledge of developing intelligence gathering methods and techniques, and of the sophisticated equipment used in the gathering, analysis and dissemination of intelligence.

Other disadvantages of intelligence sharing include:

- a. a risk of too ready an acceptance of the analysis of intelligence conducted by the USA;
- b. that politicisation of intelligence products may not always be apparent;
- c. that there is a possibility of the Australian national interest being relegated to second place because of a too ready acceptance of the views of the United States or other allied governments' intelligence agencies

On balance, the Returned & Services League of Australia considers the value of intelligence with the USA far outweighs its possible minor disadvantages.

### 3. The role and engagement of the US in the Asia Pacific Region

Australia's defence bonding with the US may upset the sensitivities of some of our Asia-Pacific neighbours, but this sensitivity should not be allowed to influence the primacy of Australia's security needs (see also the comment in 'Missile Defence' below).

The US has significant interests in the Pacific: Hawaii, Guam and American Samoa, and shares a greater area of coastline with the Pacific Ocean than Australia. The Japanese bombing of Pearl Harbour in December 1942 and the invasion of the Philippines, in which the US still has a strong paternal and economic interest, indicate the strong US attitude towards protection of its interests in the Pacific Ocean. US defence activities in South Korea and Okinawa are clear indicators of its interests in the Pacific Theatre. The war in South Vietnam was another strong indicator of its initial resolve. The result of the Vietnam War seems, in no way, to have lessened US resolve or tempered its proclivity to aggressive action in the defence of its global interests: to wit, Afghanistan and Iraq. It is reasonable to assume the US will maintain a similar resolve should it feel necessary to invoke the ANZUS Treaty in Australia's favour.

The US currently seems well satisfied with Australia's role in maintaining effective democracy and economic well being in those areas where Australia has an interest (East Timor, the Solomons, and Papua New Guinea) and has supported that activity when requested (e.g. East Timor). Therefore, it appears that the US will concentrate defence security on its primary Pacific interests while happy to leave the resolution of problems of the economically unviable and politically distressed, though strategically vital, islands in the South West Pacific region to Australia.

Mr Colin Powell, US Secretary of State observed that in "looking to the South Pacific, we know that Australia, our firm ally in Asia and the Pacific, has a keen interest in what is happening in that region ... so we coordinate our policies and our actions in this important area with our long-term Australian friends." (Powell 2001). This public tribute suggests that the policies of strategic support pursued by successive Australian Governments over half a century now enables Australia to 'punch above its weight' as a regional power in the Asia-Pacific by influencing US strategic behaviour in the region.<sup>1</sup> However, and in contrast, 'Australian critics and some Asian observers have argued that alliance loyalty is little more than alliance subservience' and this, followed by the reported 'regional deputy sheriff' comment by Mr Howard, is what excited some critics of the alliance. Irrespective of these criticisms and negative sensitivities, many Asian nations well understand the reasons for Australia's alliance with the US and, of course, Japan and South Korea themselves benefit from US defensive measures.

Therefore, Australia may have to tread warily when making a decision between irritating some Asian nations by maintaining the alliance, or irritating the US by courting and ameliorating some Asian concerns. Australia has to decide if it wishes to reinforce its alliance with the US or go it alone to the satisfaction of some critical South East Asia nations. The Returned & Services League of Australia strongly suggests that the alliance with the US is more strategically important.

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<sup>1</sup> Peter Edwards and William Tow *Australian Journal of International Affairs* Vol 55, No 2 p 169

However, US attitude to China has softened in the last year (2003) and therefore the Chinese attitude towards ANZUS is now less important, except, possibly, in the area of National Missile Defence (NMD) in which Australia will participate through the facilities at Pine Gap. NMD would probably cause strategic destabilisation, and might cause China, and perhaps also India and, in response, Pakistan, to step up their nuclear programmes in order for them to retain their response capability and, therefore, deterrent value.<sup>2</sup>

However Australia, through Mr Downer, Minister for Foreign Affairs and Trade, and Senator Hill, Minister for Defence, has now made clear that it has made an in principle decision to participate in the US missile defence programme. The reasons given by Mr Downer are concerns about the proliferation of ballistic missiles and weapons of mass destruction (WMD) and to allow Australia to make an important contribution to global and regional security. That participation contributes to Australia's non-proliferation and counter-proliferation goals. Mr Downer added that Australia's [evolutionary] participation will suit our own particular strategic defence needs and circumstances and is expected to create opportunities for Australian industries.<sup>3</sup> Senator Hill reinforced the statement by Mr Downer by clarifying the opportunities for Australian industry such as:

- Expanded cooperation to help detect missiles at the point of launch and therefore get early warning of attack
- Acquisition of, or other cooperation in the fields of ship-based and ground-based sensors.
- Science and technology research, development, testing and evaluation.<sup>4</sup>

The Returned & Services League of Australia believes that diplomacy and logic should ensure that critics see Australia's maintenance of its alliance with the US as a commonsense security policy for relatively defence-poor nations in these times of uncertainty and not as a threat to any other nation's integrity. Perhaps our neighbours are already accepting our position on this sensitive issue, notwithstanding the media-sensational comment by the now retired Dr Mahatir of Malaysia or, more recently, those from Indonesia.

#### **4. The adaptability and inter-operability of Australia's force structure and capability for coalition operations**

Recent coalition joint operations in Afghanistan and Iraq will provide current assessments on the inter-operability of force structure, communications, doctrine and equipment. These assessments and rectification of anomalies should lead to evolutionary improvements in inter-operability and force effectiveness in both independent and coalition operations. It should be remembered that inter-operability with the US also means, in most cases, inter-operability with NATO forces. Developing interoperability with our allies also refines our joint capabilities for our own purposes.

Inter-operability does not mean standardization of equipment, or over-reliance on, or sycophancy towards the US or any other provider of ideas on doctrine or supplier of

<sup>2</sup> Professors Henry Abilinski and Rawdon Dalrymple. Introduction to The US-Australia alliance in an East Asian context – Conference Proceedings 29-30 June 2001. p. 10.

<sup>3</sup> Media Release FA 151 dated 4 December 2003.

<sup>4</sup> Media Release Department of Defence 153/2003 dated 4 December 2003



equipment. It means understanding our allies, being able to plan, work and fight as a team with minimum fuss or costly mistakes (such as fratricide).

Therefore, Australia's close involvement with inter-operability (in the ABCA and other forums) should continue and be strengthened for the betterment of both independent and coalition operations.

There is one area in which there is current incompatibility and that is in the application of the laws of war. Whereas Australia is a signatory to the jurisdiction of the International Criminal Court and the 'Rome Statutes', the US is not. Therefore, Australia can refuse operational requests from US commanders where the Australian Commander, on legal advice, may 'red-card' an apparently non-lawful operational request. Once understood by US commanders, this matter caused little problem in Iraq.

#### **5. The implications of Australia's dialogue with the US on missile defence**

There has been media speculation about this dialogue. It would appear that neither party has made any significant commitment apart from the two media releases mentioned in paragraph 3 above. Therefore, it would appear logical, and in Australia's national interest, that the 'in principle' decision to participate, and the dialogue, should continue.

It would appear that a form of missile defence that could thwart the use of armed missiles reaching Australian territory, or that of its neighbours, would be in the interest of the region. The argument that an Australian anti-ballistic missile capability (with or without co-operation with the US) would threaten the integrity of our neighbours appears to lack logic because, if the threat were to become more evident and threatening, Australia would have to purchase or develop an anti-ballistic missile defence. It would seem prudent then, for both economic and security reasons, that Australia must maintain effective dialogue with the US which seems well aware of, and concerned by, the latent global ICBM threats. As hinted earlier, if this anti-missile dialogue with the US creates sensitivity within some of our neighbours, then diplomacy should attempt to allay those fears as best as possible. However, the Returned & Services League of Australia believes that it is the duty of the Australian Government to protect its people from any hostile missile attack, however or by whomever, launched onto Australian soil.

It is possible that the nation's future defence against missiles launched at targets in Australia by rogue states or international terrorist groups may depend upon anti-missile systems deployed in Australian warships in the sea areas proximate to the nation. The Returned & Services League of Australia considers it essential that Australia maintains the closest possible dialogue with the USA on this prospective defence and security development

Therefore, it is vital that the dialogue with the US on anti-missile defence should continue. The process and results of this dialogue should be communicated openly to the Australian people and whatever decision made must be justified clearly and unambiguously in the national interest.

**6. The development of space based systems and the impact this will have for Australia's self-reliance**

Very little is known about the systems available or being developed for an anti-missile defence shield, however, if the anti-missile defence system is space-based and that system is then controlled only by the US, then Australia's defence self-reliance and anti-missile defence is vulnerable to politicisation. Australia should not accept any anti-ballistic missile system, space or surface-based, that negates Australia's ability to control the system when Australia's interests are at stake.

**7. The value of joint defence exercises between Australia and the US, such as Exercise RIMPAC**

If inter-operability is considered essential, and the Returned & Services League of Australia considers that it is, then RIMPAC and other exercises that improve inter-operability, mutual trust and security must continue.

Exercises like RIMPAC and other 'coalition type' joint exercises enable our forces to train in each other's territory and assist awareness of each other's cultures and foibles. This makes for better understanding, friendliness, and co-operation under the stress of war.

**8. The level of Australian industry involvement in the US Defence Industry**

Australian industry will only be invited to participate in the US Defence industry when it shows it has better quality equipment or better intellectual quality in inventiveness or design. The difficulty might be knowing what the US Department of Defense equipment needs are. Perhaps the cohesion and co-operation between the Australian Departments of Defence, and Commerce and Industry needs improvement. Close links between the two nations appears to have paved the way for a recent and beneficial to Australia natural-gas deal with the US

**9. The adequacy of research and development arrangements between US and Australia**

The Returned & Services League of Australia has no specific information on the adequacy of defence R & D between the US and Australia. However, the Returned & Services League of Australia would encourage and support close ties and cohesive working relationships between the two nations in this matter. It appears that Australia has the intellectual capability in defence technology but not the financial resources to maximise that capability.

Perhaps the Australian Government could provide more resources for defence R & D, and also establish productive liaison channels between the US Department of Defense and Australian R & D institutions. This would enable Australia to be more closely involved in understanding the various needs of US Department of Defense in matters such as information technology; data management; weapons; weapons platforms and communications.

Perhaps Australian R & D efforts should, more often, take into account the needs of the US, in addition to those of Australia that, in many cases, might be complementary. Our close relations in coalition operations and ABCA meetings should be tasked to reveal those areas where the US is deficient and where Australian R & D effort might be most profitably directed.

In essence, unless Australian defence R & D is adequately resourced, it will not be able to show its competence and gain the respect of US clients.

Now to consider further matters that the Returned & Services League of Australia believe pertinent in the context of the Australia-US defence alliance.

#### **10. Projection of Power and Deterrence Value of the Alliance**

The US ability to project war-fighting capabilities is axiomatic. The two recent Gulf wars against Iraq have amply demonstrated this. Therefore, there is no argument that the US is a powerful and capable ally in any conventional warfare and would deter predators to Australia's territorial integrity. However, projection of power is no significant deterrent to non-state warfare such as employed by terrorists for whatever cause. Therefore, in efforts to eliminate terrorist activity, the ability to project war-fighting power is relatively unimportant. Therefore, the US, as is Australia, is now in a transitional stage where their Defence Forces are examining ways and means to ensure that they are capable of supporting counter-terror operations. The alliance with the US enables Australia to tap into US intellectual reasoning to determine doctrine, equipment and force structure to effect this 'transition'. This knowledge can only help our own transitional process and thereby improve our own counter-terrorist capability.

#### **11. The effect of the US-Australian Defence relationship on international Trade**

It is often hoped that our alliance with the US, and participation in coalition activities (e.g. Somalia, Afghanistan and Iraq), could provide leverage in trade talks with the US. This emotional perspective towards the alliance does not seem to have influenced the steely trade protection policies of the US Department of Trade, or the US Government, though many 'trade-friendly' statements are made regularly. It is probably too early yet to see what influence our involvement in Iraq has made to the loosening of US trade policies. The Returned & Services League of Australia doubts that the alliance with the US will significantly influence decisions of the US Government, because those decisions will be made subject to democratic processes, and the strong influence of the US agricultural community will prevail. The Returned & Services League of Australia, however, hopes that the invoking of the ANZUS Treaty by Australia to assist the US in its ambiguously titled 'War against Terror' may have some influence, but it is still too early to tell. Unfortunately, the US Government is well aware that Australia is the main beneficiary of the alliance and therefore Australia has no significant leverage in the trade talks towards a Free Trade Agreement. It is axiomatic that trade is not, unfortunately, based on 'doing good turns' or 'mateship' unless there is financial reward for so doing. Also, Australia and the US are trade competitors, not trade partners.

However, international trade is vital to the Australian economy and to conduct this trade shipping and air routes must remain open. The alliance with the US may well assist to ensure that this remains so for both its and our economic benefit.

#### **12. Training and Education**

Apart from the internationally recognised excellence of Australian Defence Force Education and Training and facilities, particularly at the combat level, the alliance enables Australians of

all three services and civilian Defence personnel to obtain further professional value and operational skills at education and training courses obtainable in the US alone. This technological expertise and knowledge is then transferred to the Australian Defence Force. It also enables a mutual understanding of each other's defence cultures and methods, and improves the overall quality of Australian Defence.

It should also be noted that many US defence personnel currently attend training and education courses in Australia and have been doing so for many years.

Not directly related formally to education and training is an area in which Australian experience and education does not seem to have been offered to US strategic planners. This area is that of post-operational nation building. Australia has recent successful experience of this in Cambodia, East Timor and currently in Bougainville. An example of US lack of success and forward planning appears clear in Iraq today. Australia could offer the US 'experienced guidance' in these matters.

### **13. Command and Staff Experience**

The activities in Afghanistan and Iraq have enabled many Australian staff officers and commanders to broaden their experience by holding significant command and staff appointments throughout the coalition infrastructure in both the planning and combat phases of both wars. According to experienced sources, this admixture of staff and command has worked much in Australia's favour and to Australia's credit. This experience is not available during non-coalition training for war exercises. The experience gained at command and staff level also influences the evolutionary development of Australian doctrine for planning and war fighting.

### **14. Domestic Security against Terrorist attack**

Australia has not suffered the shocking '9/11' type of attack on the World Trade Centre in New York. Nevertheless, the terrorist attack by Indonesian/Malay Islamic Fundamentalist terrorists on our holidaying citizens in Bali has brought home the need for new measures for domestic security. The US appears well advanced in this area, though rumour has it that the US solutions still require abundant refinement. Nevertheless, the organisational structure and counter-terror processes will be worth serious study by Australia, especially in the areas of intelligence gathering and sharing that is fundamental to successful counter terrorist organisation development, planning and action.

Therefore, it is reasonable to assume that the legacy of goodwill, trust and process well established between the Australian Department of Defence and the US Department of Defense, as a result of our defence alliance with the US, is paving the way for closer co-operation between the Australian Attorney General's Department and the Department of Homeland Security in the US. This would include enhancement of relationships between the CIA, FBI, and Australian Federal and State Police Departments. To this end, the Returned & Services League of Australia recommends that to improve communication and exchange of ideas, the Australian Attorney General and the Secretary for Homeland Defence in the US should attend the AUSMIN conferences.

## 15. Diplomatic leverage

The United States is in an international situation where it is seeking allies for its reconstruction of Iraq and, in the long term, the more important reduction and elimination of the threat from Islamic Fundamentalist control through the use of terror. Our alliance with the US may possibly then be used for leverage in some aspects of our relationship with the US. This leverage could be in areas such as in purchase of Defence items, foreign affairs matters and international economic activities but, as stated earlier, is unlikely to have significant leverage value in trade talks.

## 16. Public opinion

Apart from the two major political parties reflecting majority public opinion through their statements and attitudes, the September 2000 Report of the Community Consultation Team seeking Australian Perspectives on Defence stated that, 'A clear majority of people expressed strong support for our alliance with the United States. However, they did not see a need for a choice between that alliance and self-reliance – the two concepts were not seen as mutually exclusive. Indeed, there was strong support for enhancing our self-reliance which, in turn, would strengthen our value as an ally.'<sup>5</sup>

It is understandable that a generational problem is developing in that younger Australians (under 40) have little awareness of the ANZUS Treaty or its evolution through war. Generally, they support the alliance with the US though they are not lucid about the reason for their support. They supported Australian military involvement in East Timor but were far less sanguine about the deployment of forces to Iraq. It seems they will support Australian use of combat forces if they are convinced that Australia is fighting for a just cause, particularly in a peacekeeping context.<sup>6</sup>

## 17. Further Development of the Alliance

The defence alliance between Australia and the US is indeed a national asset and appears to be in good shape at the moment. However, constant media harping and negative sensationalist reporting/editorialising about the alliance could make the alliance vulnerable to changing public opinion.

Therefore, every effort should be made by the Australian Government to inform the public about the value of the alliance to the security of Australia and its interests, and clearly describe Australia's independence from US foreign policy and subsequent defence activity.

Though many academics produce excellent but overly esoteric and difficult to access papers on the Australian-US defence alliance, the Australian Government should consider publishing a lucid, convincing and easily available booklet or pamphlet on Australian Defence policy. This well distributed and easily accessible document should clearly describe the importance and value of the Australian-US defence alliance, in order to assist the Australian people to understand the complex yet nationally important issues involved.

<sup>5</sup> Australian Perspective on Defence: Report of the Community Consultation Team September 2000, pp. 8 - 9

<sup>6</sup> Peter Edwards and William T. Tow - Introduction to Australian Journal of International Affairs Vol 55 No 2 dated 2 July 2001 p.173.

## CONCLUSION

The Returned and Services League regards Australia's Defence and Security relations with the United States of America as being of fundamental importance to the future well being and safety of the nation and the Australian people. At the core of this relationship is the ANZUS alliance, a treaty which has stood the test of time and which continues to serve the security needs of both nations. Australia's defence relationship with the United States of America is founded on mutual respect for sovereignty, observance of the principles of democracy and an understanding that, where there are differences, such as in the applicability of international law, these will not be allowed to diminish the effectiveness of the relationship.