



Submission No 3

Inquiry into Australia's Defence Relations with the United States

Organisation: Future Directions International (FDI) Pty Limited

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16 February 2004

Mr Stephen Boyd
The Secretary
Defence Sub-Committee
Joint Standing Committee on Foreign Affairs,
Defence and Trade
Parliament House
Canberra ACT 2600

Canberra Office
Ground Floor, 15 Torrens St
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INQUIRY INTO AUSTRALIA'S DEFENCE RELATIONS WITH THE US

Dear Stephen

Thank you for your letter of 8 December 2003 inviting comments on the terms of reference for the Defence Sub-Committee inquiry into Australia's defence relations with the United States. We are pleased to make submissions as requested.

FDI has access to a global network of experts in addition to Australian-based expertise and we felt that a Washington DC perspective might be helpful. To that end we have invited our recently established US subsidiary company, FDI US-Australia Foundation Inc, to develop an independent submission, which is based upon decades of experience observing the US end of the relationship. We hope that the perspectives offered in these two submissions will prove useful to the Sub-Committee's deliberations.

Yours sincerely

Sent by e-mail.

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Enclosures:

1. Future Directions International Pty Ltd submission dated 16 February 2004
2. FDI US-Australia Foundation Inc submission dated 13 February 2004

INQUIRY INTO AUSTRALIA'S DEFENCE RELATIONS WITH THE US

Future Directions International Pty Ltd Submission to the Defence Sub-Committee, Joint Standing Committee Foreign Affairs, Defence and Trade

Summary of Key Points in this Submission

- Overall, Australia's close defence relationship with the US offers many positives and is strategically very important, particularly during a period of dynamism and uncertainty in World affairs. It must be sustained for the foreseeable future.
- Australia should not assume that the defence relationship necessarily extends to and provides advantages in other areas of the US relationship.
- Australia needs to manage the closeness of the US defence relationship very carefully. We may be too close at present, which can limit our ability to manoeuvre in accordance with our own national interests when they do not coincide with the US. We need to maintain a careful balance while being a close ally and "confidant" with the US.
- US strategic culture has proven problematic in recent history. Australia must be very careful not to be drawn in to situations that may prove strategically and economically disadvantageous.
- Australia's defence relationship with the US is generally seen as strategically positive in Asia. It helps ensure a balance is maintained with Asian powers and it keeps the US engaged. The prospect of "strategic competitor" tensions between the US and China, and possibly others over time along with Australia's economic involvement with Asia will make maintaining a balanced approach to supporting our wider national interests increasingly challenging.
- The ANZUS Treaty was designed for a very different international environment than today. However, it continues to provide the fundamental philosophical underpinning to the US-Australia defence relationship. There would probably be considerable difficulty and little to be gained from trying to update it. Re-engaging New Zealand should remain a desirable aspiration.
- Access to worldwide intelligence through US sources is invaluable to Australia and could not otherwise be achieved. The lack of an independent collection and analysis capability for much of the World means that Australia can be almost totally reliant on US intelligence product. This can prove problematic to independent assessment and strategic decision-making.
- Australia derives considerable benefit through sometimes-privileged access to the vast US military industrial capability with it associated research and development and leading edge technologies.
- Combined operational experience, training opportunities and access to facilities offer mutual benefits to the US and Australia. ADF operational competence and professionalism relies to a considerable extent on this aspect of the relationship. Effective interoperability is a key factor. However, the extent to which this means Australia is "compelled" to buy American needs to be carefully considered.

Introduction

Australia's alliance with the United States has been seen as central to our national security by successive Australian Governments for over 50 years. This was re-affirmed in *Defence 2000* where the enduring nature of the alliance along with its "renewed vigour"¹ was highlighted. The events of September 11, 2001 brought the alliance into critical focus in a way few had envisaged when Australia chose to invoke it as the basis for largely unconditional Australian support for the US in the "War on Terror". *Advancing the National Interest*, the 2003 Foreign and Trade Policy White Paper also emphasised the centrality of the US relationship and the A(NZ)US Alliance to Australia's national security². There are many strands to the Australia-US defence relationship. Some of the key questions are considered in this submission.

What does the defence relationship with the US mean for wider Australia-US engagement?

The defence relationship largely stands alone. The FTA, for example, will largely be viewed separately. We should have no illusions about "special favours" although clearly Australia's support for the US wars in Afghanistan and Iraq has been significant in President Bush's decision to fast-track the FTA. Beyond that the US approach will be very pragmatic, business-like and compartmentalised. The requirement for US Congressional and Australian Parliamentary approval of the FTA, with the associated local interests to be accommodated, will be far more important than the defence relationship. Given Australia's much smaller and tighter government-bureaucratic configuration, we are much better placed to make the connections as part of a total strategy of engagement with the US. It would be folly to assume the US would operate similarly.

How close to the US should Australia be?

While the importance of Australia's defence relationship with the US is beyond dispute there are critical and dynamic judgments to be made as to how closely aligned we should be. The direct benefits to Australia's defence capability through sometimes-privileged access to US technology, training and intelligence need to be carefully weighed against the wider, strategic and political implications of the relationship. It is clearly a very unequal partnership between the most powerful military, economic and intellectual Super Power in World history and a medium power and we must be very clear eyed about this reality.

The US is renowned for its pragmatism. It will act in accordance with what it perceives is best for its own national interests. Where Australia's interests coincide the benefits of the relationship accrue, where they do not we will have a

¹ *Defence 2000 – Our Future Defence Force*, Commonwealth of Australia 2000, pp x and 34-36.

² *Advancing the National Interest – Australia's Foreign and Trade Policy White Paper*, Commonwealth of Australia 2003, pp xvi, 11, 21 and 86-89.

problem. Australia has tended to be over-reliant on the expectation that the US will come to our aid in a security crisis. Our national defence expenditure for example, has been significantly constrained over recent decades on the basis of this premise. There is a real danger of "assuming" Australia is a higher priority to the US than is reasonable. We must maintain a balanced perspective and we must be capable of acting independently if necessary, particularly as the World passes through a period of great dynamism and uncertainty.

Implications of US strategic culture

US strategic culture can be problematic for Australia and other allies. The US has repeatedly demonstrated the most powerful and effective capacity for waging war in human history. They have similarly demonstrated a notably poor capacity to "win the peace". For example, the US track record when it comes to peacekeeping and nation building is poor. Vietnam, Somalia and now Iraq and Afghanistan are testimony to this observation.

US strategic culture is typically arrogant, lacking in subtlety and sensitivity, lacking the willingness and capability to understand other cultures and perspectives. This limits US capacity to create successful outcomes in complex internal conflict situations. While the philosophies of Sun Tzu, concerning "knowing your enemy" and strategising to achieve "victory" without directly attacking the enemy are taught in US war colleges, there has been little demonstrated ability to put this into action. The US approach to the "War on Terror" has been predictably direct and unsophisticated.

"Mirror-imaging" is frequently a problem, for example the US Department of Defense (DOD) assumption that the Iraqi people would universally welcome the "liberating forces" was obviously naïve. Infighting between the US DOD and the State Department resulted in no realistic and comprehensive post conflict plan for Iraq. This situation was typical of the US approach in Vietnam and elsewhere. The Australian decision not to make a major contribution to the post-Iraq War phase was exceptionally erudite under the circumstances.

Perhaps Australia can be well placed, as a valued ally and "confidant" to help the US comprehend the shortcomings of its strategic culture and to influence US-decision making. The dilemma for Australia is that US military power is the best "insurance policy" available in the World to underwrite our national security. However, given our significantly more limited resources, we cannot afford to make strategic mistakes; our "margins for error" are much tighter. We could not for example, afford significant miscalculations in the East Timor operation. Our planning and methods of achieving outcomes must be carefully thought through and tailored. The US on the other hand can become mired in unsuccessful conflicts like Vietnam and increasingly Iraq, it can out-spend the Soviet Union to win the Cold War, and still emerge incredibly powerful and intact.

Access

At the political and operational levels Australian access in Washington is generally very good. Senior US Government officials will usually see Australian officials at short notice, a position we need to guard carefully and not "waste peoples time" with trivial or repeated requests. That said, decisions can be difficult to achieve due to the nature of US bureaucratic and government processes, with many competing players and interest groups. Access will always be conditional with US expectations and will create obligations. We must be very mindful that US culture is business-like and lacking in sentiment.

Overall, Australia's close relationship with the US offers many positives and is strategically very important. However, US expectations can be problematic. The closer we are the less room we may have to manoeuvre. We need to be careful not to create a US expectation that we will almost always support their position, as there may be a tendency to take us for granted. The US will tend to assume that we are on side and may be surprised, disappointed and possibly take reprisals if we take a differing position, which could prove very harmful. The Canadian and French recent experience over Iraq is instructive here, as is the ongoing New Zealand situation. Australia must manage the "closeness" of the relationship with the US with a deal of skill and pragmatism.

What are the implications for Australia's wider international relations?

Countries in Southeast Asia generally (and often privately) welcome the defence relationship between Australia and the US. It helps keep the US "engaged" thereby providing a sense of stability and strategic balance with regional competitors (China, India and possibly Japan).

Given Australia's geo-strategic position and expanding economic relationships in Asia there is a need to avoid being put in a position where we have to "choose" between the US and others. For example, there is a high probability of increasing tension between China and the US over time, with the US seeing China increasingly as a "strategic competitor". As the Chinese economy continues to perform robustly and its capacity for influence increases this trend is likely to continue. Australia must steer a careful course so that balanced and pragmatic outcomes for our national interests can be achieved.

Australia's privileged access to high end US strategic technological capabilities can cause difficulties with regional neighbours. For example, involvement with the US in the Strategic Defence Initiative and access to long-range strategic weapons like Tomahawk can create concerns. Australia needs to effectively argue the need to take all reasonable steps to provide for its own national security while reassuring sometimes-nervous neighbours about our entirely self-defensive motives. We need to be mindful that regional countries that are not

able to gain similar access to some US technology may feel compelled to seek alternative offensive and defensive weapons if they feel threatened.

Is there a need to update the ANZUS Treaty?

The ANZUS Treaty³ came into force on 29 April 1952 and was clearly written for a very different strategic environment than that prevailing today and into the foreseeable future. The Treaty has a distinct Pacific focus⁴ so it is somewhat ironic that the only time it has been invoked was in response to the 9/11 terrorist attacks on the Eastern seaboard of the US. Further, the long-standard US-New Zealand issue means that aspect of the Treaty remains in abeyance.

Logic suggests that an updated Treaty would be desirable however the practical difficulties of doing so mean that the effort would probably not be worthwhile. The ANZUS Treaty provides a philosophical underpinning to the defence relationship between Australia and the US that is more important than the detail of the document. It would be difficult to replicate the sense of priority and urgency that prevailed at the beginning of the Cold War to justify a revised or new Treaty to suit contemporary circumstances. While it is desirable that New Zealand be brought back into the fold as soon as possible, the Treaty should be left alone.

What are some issues associated with our access to US intelligence?

Australia has very limited independent intelligence collection and analysis capabilities for much of the World. ONA, ASIS, DIO and ASIO all have capable and experienced analysts however they are largely reliant upon external intelligence sources. This means that we tend to receive "intelligence product" from US (and other close allies) agencies already processed, without an independent capacity to check or evaluate. However, the worldwide access we receive from US and British sources is invaluable and would not be possible through any other means. The challenge for Australia is to determine the reliability and validity of intelligence product, which may profoundly impact strategic decision-making and national security outcomes, without necessarily understanding the credibility of sources.

Compartmentalised access can also be an issue and much intelligence product is for the intelligence community "insiders" and of very limited wider benefit. The US still tends to be very selective in what they allow us to see. There have been recent examples of the US denying Australia access to Australian originated intelligence product.

³ Security Treaty between Australia, New Zealand and the United States of America (ANZUS), San Francisco, 1 September 1951.

⁴ Ibid, Article IV "Each party recognizes that an armed attack in the Pacific Area on any of the Parties...".

What benefits does Australia derive from access to US equipment acquisitions?

The US continues to have the largest, most capable and technically advanced military industrial capability in the World. US investment in research and development and leading edge systems remains far ahead of the rest of the World combined. The defence relationship enables Australia to have considerable access to this vast capability.

Australia receives selective, privileged access to some sensitive US systems and technologies. The US tends to control this on a case-by-case basis. For example, Australia gained special access to not previously available US submarine-related systems and technologies, once agreements were reached for Collins Class submarine systems and support.

US DOD Foreign Military Sales (FMS) priorities are largely determined by the amount of money being spent by particular international clients. In recent years Australia has primarily been accessing relatively low cost maintenance support through FMS so other countries have enjoyed higher priority. Non-FMS acquisition sources are being increasingly used. What may be presumed to be a privileged position for Australia is under pressure. Again, pragmatic business reasons will usually determine US priorities.

What are some important military operational aspects of the US defence relationship?

The ADF contribution to US-led coalition operations is rarely decisive although usually significant in that it is operationally capable, logistically supported, and interoperable. Also, Australia usually covers its own costs (unlike some other members of "coalitions of the willing" who expect the US to provide support).

The US has on occasion effectively filled important gaps in Australian capability. For example: a USN Aegis Cruiser along with a British air warfare destroyer provided essential air cover during the crucial landing phase of the East Timor operation. The ADF lacked (and still lacks) the capacity to provide air warfare "battle space dominance" in a vital offshore area. The obsolescent Navy DDG's had been retired without replacement and the RAAF did not have the range and endurance to provide 24/7 cover. Notably, the Air Warfare Destroyer (or Sea Control Ship) will not commence entering service until around 2013. Access to higher level US capabilities when required is a very positive aspect of the relationship. However, shortcomings in ADF force protection and force projection capabilities raises serious concerns about Australia's capacity for independent operations should US interests not coincide with our own.

Training

ADF access to US training opportunities and facilities has long been an important aspect of the defence relationship. There are considerable mutual benefits to be gained from major combined training like the RIMPAC series of exercises held off Hawaii. Primarily RAN and RAAF units gain excellent experience training with large US battle groups and land-based forces. US forces benefit from exposure to Australian capabilities like conventionally powered submarines. The seamless integration of ADF units into US-led operations in the Middle East and elsewhere, and US integration into Australian-led operations like East Timor, is a direct result of many years of such combined training.

Similarly, many US commanders have experienced the ADF first hand during combined training exercises and are therefore confident in Australian operational competence. A significant example of US confidence in Australian operational capabilities occurred during the recent Iraq War when US (and British) naval forces were placed under the tactical command of an RAN officer throughout critical port clearance and marine landing operations in Southern Iraq.

Access to specialised US training facilities, in some cases not available in Australia, has also been very important to ADF readiness. For example, the fully instrumented Pacific Missile Firing Range (PMRF) off Hawaii enables RAN and RAAF units to practice fully assessed, live firings of missiles essential to maintaining total system operational effectiveness. Firings are usually conducted alongside US units thereby enabling comparative analysis and the sharing of tactical and technical knowledge.

Fundamentally, long-standing and ongoing access to training opportunities with US forces is essential to the maintenance of ADF operational professionalism and readiness. For the relatively small and geographically isolated ADF, US training opportunities are vital to benchmarking and professional development.

Interoperability

Effective interoperability is clearly an essential condition for ADF involvement alongside US Forces. This means that wherever possible the ADF needs to adopt common, networked communication protocols and common logistics support including weapons and ammunition stocks. There is also a need for common or at least complementary doctrine and training.

The need for interoperability raises some important questions. For example, to what extent does this mean we need to buy American? Clearly there are operational, logistic and in some cases strategic advantages to doing so. With the recent Collins Class submarine combat system decision Australia chose to acquire a US system that was technically less capable than a European sourced alternative. Strategic considerations along with advantages of commonality in

logistics and operational capabilities, and access to US through-life support and upgrades would have been important factors.

However there may be an increasing perception on the part of the US of an "obligation" or at least an expectation that US systems will receive priority consideration in Australian acquisition decision-making. This can prove costly and limit Australia's commercial and operational flexibility and must be managed very carefully and selectively.

What about intellectual property and configuration control? The ADF is invariably a small partner in the acquisition and through-life support of US-sourced systems. The US defense community is understandably very careful about sharing intellectual property. Partners like Australia are often expected to accept "grey" or "black" boxes without access to technical details and protocols, which can pose problems where there are unique ADF operational or maintenance requirements. On the other hand if Australian companies wish to compete in the US market they are invariably required to have a US partner. There are no "gentleman's rules" with respect to US attempts to gain access to Australian intellectual property.

There are of course advantages to "parenting" and configuration control being undertaken by a much larger organisation with attendant economies of scale and access to comparatively vast research and development, and logistic capabilities. Australia is experiencing the significant challenges associated with carrying the parenting overhead for naval systems like the Anzac Class frigates and Collins Class submarines along with patrol boats and mine hunters.

Concluding Remarks

The defence relationship with the US is very positive for Australia overall. The US alliance continues to fundamentally underpin Australia's national security. The relationship offers features that are indispensable to Australia maintaining a first-class, professional military capability. It is therefore vital to our national security.

Australia receives considerable benefit from the relationship through access to the vast US military-industry capability and the deterrent (to those who may wish to threaten Australia's interests) benefits of the US relationship. However we must take care not to be too close. We must preserve a capacity for, and exercise when necessary, independent action.

The perceived requirement to comply with US "expectations" can be problematic. Australia needs to be careful not to be "taken for granted". We must carefully balance the benefits, obligations and expectations of the US defence relationship with our wider national interests. We must be fully aware that the US will invariably and pragmatically act in accordance with its own perceived national interests. This may not always be consistent with Australia's interests.



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Comments Pertinent to the Inquiry Into Australia's Defence Relations With the United States of America

By the Defence Sub-Committee
of the Joint Standing Committee on Foreign Affairs, Defence and Trade,
Parliament of Australia.

Submitted by Gregory R. Copley,¹
FDI US-Australia Foundation, Inc.
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February 13, 2004

These remarks were prepared by Gregory Copley, an Australian citizen and Director of FDI US-Australia Foundation, Inc., the Washington, DC-based arm of the Australian-based Future Directions International (FDI). They are submitted in support of remarks made to the Sub-Committee by Commodore (rtd.) Lee Cordner, CEO of FDI in Australia, and are intended to provide a perspective from the US, based on more than three decades of intimate involvement with US strategic policy during seven US Administrations.

1. Introductory Remarks: the Context and Framework of the US-Australia Strategic Relationship

February 2004 marks the 15th anniversary of the withdrawal of Soviet forces from Afghanistan, a step which presaged the collapse of the Union of Soviet Socialist Republics by only a year or so. The subsequent decade and a half have been marked by profound global strategic change; an era in which pre-existing global or regional security pacts have either been rendered meaningless or subject to substantial reinterpretation. The Warsaw Treaty Organisation disappeared completely. The North Atlantic Treaty Organisation (NATO), based on the North Atlantic Alliance, became paralysed, temporarily; was subject to severe distortion in its mis-use in the 1999 "war" against Yugoslavia; and only subsequently has found a new, global mission which extends its military operations as far as Central Asia.

¹ See biographic details, attached.

It is entirely appropriate, then, to review the meaning and purpose of the US-Australia strategic relationship which is embodied in and by the Australia-New Zealand-US (ANZUS) Treaty as well as a wide range of other formal and informal aspects. This relationship is arguably the most significant and overriding aspect of Australia's security for the immediate future, apart from the issue of national self-reliance.

However, the US-Australian relationship is not in itself a comprehensive and total safeguard for Australia's strategic needs even at this time, and nor is its shape and viability guaranteed in the medium- and long-term.

The relationship is, in fact, approaching a watershed which provides the opportunity for both Australia and the US to re-evaluate and re-energize the Alliance and its objectives.

What is inevitable is that the continued growth of Australia as a strategic power — in the economic, social, political as well as defense sense — will automatically determine that an increasing number of Australian priorities will differ from those of the United States. Inevitably, then, the US-Australian relationship will need to reflect Australia's autonomous and regional roles just as Australia has historically recognized the reality that the US has strategic priorities elsewhere in the world which do not necessarily or automatically consider Australia.

That in itself does not necessarily mean that the US-Australia defence relationship will diminish. Indeed, it may well expand in some respects, as has been the case since the September 11, 2001, terrorist attacks on the US. The changing realities, however, will determine that the relationship becomes more a matter of partnership, rather than dependence by Australia on the US.

But before that point is reached, it is important to note that — in terms of major defence operational capabilities — Australia has already committed itself for the medium- and possibly longer term to a significant defence technological dependence on the United States which will transcend the lives of the current US and Australian governments and, indeed, their successor governments. In respect of Australian defence independence, it is fair to say that Australia is now more dependent than ever on its relationship with the United States, largely as a result of technology commitments, such as the decision by the Royal Australian Air Force (RAAF) to proceed with the F-35 Joint Strike Fighter (JSF) procurement.² This commitment essentially extends aspects of the relationship for at least

² Australia's participation in the F-35 Joint Strike Fighter (JSF) process is at present an involvement in the development process for the aircraft, and no decision to acquire the aircraft, definitively, would be made until "around 2006", according to Australian Minister of Defence Robert Hill's remarks on June 27, 2002, when Australia signed on as a "developing participant" with Lockheed Martin on the JSF project. Australia committed some A\$300-million to the JSF project over a 10-year period. However, the decision to make such a significant financial commitment essentially locked the RAAF into a situation where the acquisition of the JSF would be a strong possibility, precluding to a large degree consideration of any other major combat aircraft until at least 2006, with actual acquisition some years after that. It is fair to say that Australia's position of relative air superiority within the region — dependent on ageing F/A-18 *Hornets* and F-111C strike aircraft — will be substantially decreased by the time a new fighter/strike component is introduced into the RAAF. This begs the question as to whether the RAAF would be forced to take interim

three more decades from the date of acquisition; in other words to somewhere close to the middle of the 21st Century.

From the standpoint of historical comparison, it is also fair to note that it was just such a technical choice — the decision in 1963 to purchase the (then) General Dynamics F-111C strike aircraft instead of the British Aircraft Corporation (BAC) TSR.2 — was actually the pivotal *mechanism* in changing Australia's principal defence alignment from the United Kingdom to the United States.

By 1963, the ANZUS treaty between Australia, New Zealand and the US was already 12 years old, and yet the treaty signing itself had not caused Australia to move its defence priority from Britain to the US. Rather, the treaty itself became a useful tool when, literally a dozen years after its signing, the Government of Prime Minister Sir Robert Menzies decided that the time was ripe for change, and the F-111 contract became the nexus and visible sign of that change.

The F-111 fleet has been in RAAF service for more than three decades already, and will remain so for several more years, an indication of the length of impact of such decisions, which require constant interaction and a trusted supplier relationship to remain effective.

However, apart from the interaction and relationships built around defence systems decisions, strategic relationships such as ANZUS are essentially political and perceptual. The fact that ANZUS only acquired true strategic impact for Australia when the Government of Sir Robert Menzies reached the conclusion, in 1963, to switch great-power allegiance from the UK to the US, demonstrates the fact that the Alliance itself is only part of the process.

Equally, the reality is that political and perceptual differences between the New Zealand Government of Prime Minister David Lange and the US Administration of President Ronald Reagan in 1985 caused a fissure in ANZUS, effectively removing New Zealand from the Alliance, despite the fact that New Zealand's function in intelligence collection in South-East Asia and the South Pacific were — at that time — unique and virtually irreplaceable in the short-term. The schism occurred despite the underlying belief by most US and New Zealand thinkers that there was an absolute transparency of mutual support and trust between the two societies, based largely on mutual US-New Zealand commitments to fight together in World War II, Korea and Vietnam. There was, in fact, no such "absolute transparency" of understanding and exchange between the US on the one hand, and Australia and New Zealand on the other, at the time. The fact was that neither the US nor Australian governments comprehended that the demagoguery of a single New Zealand leader could create such a profound strategic disconnect in ANZUS.

Australia was, as a result of Mr Lange's single-minded anti-US attitude and despite the fact that his approach contradicted all the professional advice given to him by most of his Cabinet and defence advisors, forced to assume the very real burden of ensuring that the loss of New Zealand-provided intelligence to the ANZUS alliance — and to the UKUSA

measures, such as it did when the delivery of F-111s was delayed, necessitating the lease of F-4 *Phantom* aircraft from the US.

Accords intelligence process — did not allow serious gaps to occur in the Alliance readiness. This, however, was at some cost to Australia, and allowed the US to proceed with the strategic abandonment of New Zealand without further thought.³

The true cost of that political/perceptual mis-step by New Zealand — because of Mr Lange's behaviour — has only become apparent with the passing of almost two decades: New Zealand's entire political process turned essentially inward and isolationist, and the wealth of New Zealand's contribution to stability and shared strategic projection in the South Pacific was consistently reduced. This has, in the view of this analyst, had a long-term deleterious affect on New Zealand's economic wealth, its political influence and strategic viability. During the same period, Australia has grown significantly in terms of global strategic influence, both because of its world-class defence and intelligence capabilities and because of its political-economic growth, despite the fact that other regional states have themselves grown substantially in terms of their own defence/strategic capabilities.

Australia, at all stages of the ANZUS Treaty's life, has had, *de facto*, greater influence in Washington than has New Zealand, largely as a function of its greater geographic, geopolitical, population and economic scope than New Zealand, so it must be assumed that any disruption in the Australia-US relationship at a political/perceptual level would be treated with far greater urgency and depth than occurred with the US-NZ schism of 1985.

It would, however, be a mistake to believe that this is a universal truth which would apply to all US administrations. The scope exists for diminished or changed US belief in the importance of the US-Australia relationship [that is, a change from the mutual security-oriented nature of the Alliance at present and for most of ANZUS' existence], something which was demonstrated during the US Presidency of Jimmy Carter (1977-1981) and the Presidency of William Clinton (1993-2001).

³ The author does not wish to infer that there was an absence of understanding or dialogue between the US and Australia, or the US and New Zealand, during the period leading up to the US-New Zealand schism. On the contrary, US officials, particularly with the Arms Control & Disarmament Agency (ACDA) visited New Zealand frequently in an attempt to resolve the situation in the 1983-85 timeframe. The US was, at the time, committed to deploying Intermediate-range Nuclear Forces (INF) forces into Europe, and believed that it was important to keep New Zealand "in the fold" so as not to provide an example which the Dutch or Belgians could follow with regard to refusing transit or basing to US nuclear weapons. Japanese attitudes were also problematic in this regard, so the NZ situation was of considerable importance to the US Administration, and so allowed Prime Minister Lange to call the USN ship visits an "arms control discussion". Prime Minister Lange took a disingenuous and demagogic approach to the situation, eventually, and at a press conference called for the removal of all US missiles from New Zealand. There were, however, no US missiles in the country, and it would have been pointless and impractical to have stationed any there. It is presumed that Mr Lange — an evangelical Methodist preacher who hated the US — knew this, but merely made the accusations for the purpose of populist rhetorical impact. However, from this point the NZ involvement in ANZUS unraveled, and this in turn gave impetus to Australian elements who disapproved the US-Australia strategic relationship. The Australian and Japanese governments, as well as senior officials in the NZ Defence Forces and Government, attempted to persuade Prime Minister Lange to reconsider the situation in a more balanced light, but to no avail.

It should also be stressed that while political/perceptual fluctuations have existed at the leadership and public levels of the US commitment to Australia, strategically, there has been a fairly uniform belief (and commitment) at middle-level ranks of the US Armed Forces and Department of Defense (DoD) in the value of the US-Australian defence relationship. This level of the bilateral relationship has also been the easiest for Australian officials to access and maintain. As a result, Australian officials have placed their greatest emphasis on these "working level" relationships. And this in turn has resulted in very successful teaming of US and Australian defence and defence intelligence capabilities, earning Australia and Australian defence and intelligence personnel enormous respect among their US counterparts.

In essence, because this aspect of the US-Australia defence relationship has proven so successful and practical, Australia has neglected almost entirely until this point in ensuring the success of the relationship at a Cabinet and Head-of-State level. This has meant that, regardless of the constancy of the Australian commitment and contribution to the Alliance, there have been significant periods (1977-81 and 1993-2001) when Australia's larger strategic interests and voice have been ignored in Washington. These periods represent significant gaps in opportunities for Australian strategic progress and engagement in world affairs and periods of missed economic opportunities.

Even during periods when Australia's commitment, constancy and capability have been appreciated, such as during the Reagan era (1981-1989), they have been undervalued, largely because of Washington's preoccupation with other arenas. However, during the Carter Administration era, it is also fair to say that Australia's commitment was also to an extent ignored because of US perceptions that Australian security had been compromised by Soviet penetration. And this meant that — despite the UKUSA Accords on intelligence sharing between Australia, Canada, the UK and US — Australia was not trusted with key intelligence and policy planning access by Washington, and Canberra was not fully aware or informed of this unilateral abrogation of the relationship by the US.

The US-Australia strategic and defence alliance, therefore, has been asymmetric: it has, naturally, been regarded as more important by Australia than by the US, largely because for Australia the Alliance is its paramount strategic policy constant. For the US, the ANZUS Alliance represents only one of a number of such alliances worldwide.

Two factors have assisted in starting to partially break the asymmetric nature of the US-Australia security relationship:

- 1. The September 11, 2001, terrorist attacks on the US, leading to the "war on terror" and the Coalition war against Iraqi Pres. Saddam Hussein, and the shared perception of a terrorist/radical threat to mutual interests which became iconized by the *al-Qaida* terrorist attack in Bali; and
- 2. The shared US-Australian perception that nuclear weapons, delivered by long-range ballistic missiles, represented a potentially hostile capability which could

threaten both Australia and the US from a variety of states, both currently and potentially.⁴

The speed and capability of the Australian responses to mutually-perceived threats and needs in the "war on terror" and then in Iraq were so significant that — especially in the climate of international isolation which surrounded initial US decisions to react in Afghanistan and Iraq — Australia's contribution became politically as well as militarily significant to Washington. This provided a window of unique access for the Australian Government to elevate the nature of the ANZUS relationship from wholly asymmetric to something resembling a partnership of equals.

This access has been only partially exploited by the Australian Government, which continues to function largely on the basis of its established bureaucratic links rather than on firmly embedding the bilateral security relationship at all levels of the political and governmental process in the US. However, a start has been made on elevating the ANZUS relationship to a point where Australia can make major strategic gains from it.

What remains an open question at this point is how this nascent opening in the relationship will progress, or regress, following elections in late 2004 in both Australia and the US. Clearly, given the history of the relationship since 2001, the return to office of both incumbent leaderships would enable the progress — which was begun on the basis of mutually-perceived conditions — to continue. However, it is clear that changes in the governments of either or both states in late 2004 — based on the known and presently-possible alternatives to both the administrations of George W. Bush and John Howard — will mean a period of pause, re-evaluation and almost certain change in the nature and direction of the bilateral relationship.

Without even considering the qualities and values of potentially new administrations in either countries, such a hiatus is inevitable, based on the fact that the alternate leadership in Australia, and all of the known alternate candidates for the US Presidency, represent such a radical departure from the current leaderships. However, it is at this point that the strength of the middle-level relationships which have embodied the working nature of the US-Australia bilateral defence relationship will be effective in safeguarding at least an ongoing constancy at operational levels of the ANZUS Alliance.

However, total reliance on operational, middle-level relationships does not progress the overarching strategic potential of the Alliance.

⁴ A variety of regional states have either the current or potential capability at some time over the next decade or more to use ballistic missiles to reach Australian targets: the People's Republic of China (PRC), India, the DPRK, Pakistan and Iran. As in all threat assessments, the maxim remains that the will of a government to act in a hostile fashion can change rapidly, but the capability to represent a threat is based on a measurable force structure, which takes time to develop. As a result, threat assessments must first consider the capability — rather than the will of the governments — of all states, and defensive capabilities to meet threats must be based on potentially hostile capabilities, judiciously assessed in concert with ongoing evaluations of the political trends and will of the foreign governments which hold these capabilities.

The Australian Government, at political and Defence/Armed Services levels, has consistently missed the opportunities available to it to advance the Alliance so that it is seen in Washington at the highest levels as one of the most strategically-important relationships of the United States, not just of Australia. By focusing virtually exclusively on bureaucratic relationships with either US career civil servants, uniformed personnel and appointed officials, Australia has missed its opportunities to take full advantage of the broader spectrum of official and unofficial assets which influence and sustain policy directions in the United States. Apart from Administration assets (White House, National Security Council, Department of State, Department of Defense and the Intelligence Community), there are two major areas where policy is effectively made or governed and where it is conceived and influenced:

- The US Congress and particularly its committees; and
- The non-governmental strategic policy community.

The unity of policy formulation and budget control within the Australian governmental system is not mirrored in the United States. And in the US, Congress strenuously guards its privilege and power, through its standing committees and subcommittees, to shape defence and strategic policy formulation and to govern scrupulously how it is administered through its control of two key elements:

- Budget, and the line-item control over funding for, and progress of, specific defence (and other governmental) programs and conflict engagement; and
- Promotions of uniformed flag/field rank officers and key levels of appointed bureaucrats, including all ambassadorial appointments.

Australian diplomatic and Defence/Armed Services personnel, by insisting on virtually only sustaining working-level relationships with their career or uniformed counterparts in the US, have consistently rejected the opportunities to embrace relationships with either Congress (on a meaningful and ongoing basis) or with the highly-professional and well-connected non-governmental policy networks which pervade Washington. There has been a willful neglect by Australian officials — based on prejudices developed from the way policy is formulated in Canberra — to understand how defence and strategic policy is shaped in the United States. Even when Washington “think tanks” are engaged by the Australian diplomatic or defence process, they are not effectively or necessarily wisely engaged: there is little understanding of which institutions can help with which tasks.

By failing to embrace and systematically address the overall complexity of the US strategic policy arena — which includes the Congress as a priority of equal stature to the White House; the “educational” base which includes “think tanks”; the media at many levels; as well as the Administrative labyrinth of defence and intelligence offices — the Australian strategic community fails to adequately command US priorities. Equally, Australian leadership, if it is to improve the benefits to Australia, needs to elevate the defence relationship with the US to a level of constant dialogue between heads-of-government — as is the case between, say, the US and the UK — in the knowledge that all other forms of political and economic bilateral benefit will flourish beneath this umbrella.

Evidence of the value of this approach has been seen in US-Australian strategic relations since September 11, 2001, when the Australian Government and Prime Minister Howard have attempted to compound and capitalise the impact of the profound and recent US-Australian defence cooperation in Afghanistan, East Timor and Iraq. But these Australian attempts to expand upon the new-found recognition of Australia's value as an ally were undertaken essentially as *ad hoc* responses. The US recognition of Australia's roles in Afghanistan, Iraq and East Timor should have been a signal for Australia to re-examine the methodology, as well as the objectives, of the Australia-US defence relationship.

It is timely and significant, therefore, that the Defence Sub-Committee of the Joint Standing Committee on Foreign Affairs, Defence and Trade of the Parliament of Australia has taken this initiative to examine Australia's Defence Relations With the United States.

2. The Applicability of the ANZUS Treaty to Australia's Defence and Security

It is significant that there is no structural alternative at present, for either Australia or the United States, to the ANZUS Treaty if the security interests of both countries are to be comprehensively met. ANZUS is not a treaty which merely benefits Australia and provides it with a security guarantee. Rather, it provides both signatories — in this discussion, Australia and the US; New Zealand's needs and contributions aside for the moment — with different aspects of their needs.

Significant security pressures on the United States and very real pressures on the US Armed Forces since September 11, 2001, were eased by the availability and commitment of Australian forces. In real, operational terms, Australian technological and equipment resources as well as force structures and — most importantly — military skills provided a critical edge to US-led military efforts in the 2001-2004 timeframe, on a scale rarely seen before. Perhaps only the reliance by the US World War II Theater Commander, Gen. Douglas MacArthur, on Australian commanders and complete Australian military formations, particularly at the early stages of US engagement in that war, parallels the level of US reliance on Australia for defence purposes seen in the 2001-2004 timeframe.

Indeed, in the Afghanistan and Iraq engagements of the 2001-2004 timeframe, Australia's commitment of ground, naval and air forces in many areas routinely exceeded the quality and effectiveness of comparable US forces. This was a direct result of Australia's development of highly-professional military skills, coupled with a force structure which balances high-technology with practicality and which is compatible, operationally, with US and NATO forces.

Quite apart from the high value obtained from the relatively small numbers of Australian personnel in Afghanistan, Iraq and East Timor, the significant contribution of Australian submarine patrol capabilities to the overall ANZUS requirement has been disproportionately high, and recognised as such by the US Navy. The same applies to ongoing Australian contributions to alliance-wide intelligence requirements [discussed below].

What has been significant since September 11, 2001, is that there was widespread recognition by the US leadership as well as the military of Australia's value, and value-added, as a defence and strategic partner. This has changed, to some extent, the nature of the ANZUS Treaty to one of perceived higher value to the US. However, given the changing and diverse nature of strategic pressures facing the US leadership — in the White House, Congress and Administration — some of the perceived value and importance of the ANZUS Treaty has already begun to waste away at political levels.

In viewing the applicability of ANZUS to the future security and defence of Australia, however, it is important to understand that the third leg of the treaty — NZ — has, since 1985, been inoperative. This, then, begs the question as to whether ANZUS should be replaced by a new A-US treaty, or whether the New Zealand aspect of it should be revived.

At face value, the restoration of New Zealand's role in ANZUS is of greater concern to Australia than to the US, although the substantially increased burden of South Pacific defence responsibilities for Australia eventually impacts on how much capability Australia can deliver to the Alliance. This becomes especially true as physical demands on the Australian defence structure move more to the north and west to safeguard vital resource, sea-lane and littoral assets in the Middle East and Africa, South and Central Asia and South-East Asia.

It becomes a *prima facie* argument, therefore, that the re-inclusion of New Zealand as an effective partner in ANZUS would provide substantial relief to the Australian and US defence burdens (in economic as well as practical terms), while adding qualitatively to the mission of South Pacific peacekeeping, surveillance and security. Equally, from an overarching strategic standpoint, the return of New Zealand to full partnership in ANZUS would begin to deliver political and economic benefits to New Zealand. This would then substantially contribute to Australian security as well as to Australasian economic and social vitality.

New Zealand's restoration to full ANZUS partnership is therefore seen as a significant goal for Australia, but one which has not been addressed in recent years because of two main reasons:

- The US has not yet been sufficiently pressed, at the highest levels, to see the value of resolving its differences with New Zealand and many US Defense officials remain skeptical of New Zealand's reliability as a partner; and
- New Zealand's politicians and public felt empowered by the 1985 snub of the US, and have yet to realise the economic cost which the gesture — and the subsequent isolationist and disarmament policies — has had for the country.

It therefore remains Australia's burden — as New Zealand's closest ally and partner — to begin the process of rebuilding the relationship. Australia has, since 1985, been the conciliator between the US and New Zealand, to the point where some New Zealand officials now believe that the problem has been resolved (it has not) and where some US

officials also believe that the problem is not worth reconsidering. The issue is therefore moribund, and requires a plan which could, through cautious confidence-building measures coupled with extremely careful public diplomacy steps, re-ignite the relationship. Australia's diplomacy, therefore, would need to be equally vigorous and sensitive with both the US and New Zealand, and would require both to put past attitudes aside. And in the case of New Zealand, careful rewording of legislation would also be required, perhaps compensated by some US gestures.

Given that Australia has now recommitted to the US defence relationship by its purchase of, among other things, the F-35 fighter, and given that, in any event, the US strategic stature as the dominant world military power will require Australia's attention and friendship for the next decade (and possibly much longer), it must be construed that ANZUS remains a core of Australia's defence and security thinking. That does not imply that all other existing and potential security treaties and approaches must be ignored, or even be subordinate to ANZUS. Quite the contrary: the fluid strategic environment of the coming decade will dictate that ANZUS must be a flexible instrument.

As with the instance of New Zealand participation in ANZUS, once again, it would be timely for Australia to consider a re-evaluation of the Treaty with a view to adding detail and depth to it, within the constraint that the Treaty be viewed as a flexible, living instrument. This could, and possibly should, include a plan to embrace Australia's allies in the Pacific into ANZUS, possibly under Australia's umbrella, coincident with the evolution of the cohesive regional community proposed by an Australian Senate paper of August 2003.⁵

The ANZUS Treaty, in summary, remains relevant for Australian strategic interests, but requires re-examination in the light of New Zealand's situation and evolving global trends, some of which are discussed below. In essence, the concept of re-engaging New Zealand, coupled with the energizing of the South Pacific *bloc* as part of the ANZUS family, offers an opportunity for the treaty to become geopolitically more relevant and effective, while helping to broaden regional prosperity and mutual interests.

⁵ This would be consistent with a proposal in the report by the Australian Senate Committee on Foreign Affairs, Defence & Trade — entitled *A Pacific Engaged: Australia's relations with Papua New Guinea and the island states of the south-west Pacific*, released on August 12, 2003 — which recommended that an "eminent persons group" be established to investigate the feasibility of creating a new South Pacific economic and political *bloc*, a "Pacific Economic and Political Community" (PEPC). This PEPC would share a common currency and labor market. Such a *bloc*, which would automatically feature Australia as its centerpiece, given Australia's economic and strategic size in the region, would create a powerful new alliance structure — almost a unified new state in some senses — which would effectively link Australasia with the US north-eastern Pacific zone. The report suggested that the proposed community, which would effectively be an evolution of the current loose alignment of South Pacific states with Australia and New Zealand, would have as its goal sustainable economic growth, a common defense and security policy and strategic interoperability, common legal provisions where applicable and common health, welfare and education approaches. The report noted: "Over time, such a community would involve establishing a common currency, preferably based on the Australian dollar. It would involve a common labor market and common budgetary and fiscal standards."

This will become more relevant both to Australia and to the US as the People's Republic of China (PRC) assumes a greater strategic role in East Asia and as the US-Japan treaty relationship develops to see Japan assume a more autonomous defence role. The same prospect applies to the Republic of Korea (RoK), assuming a continuation and eventual success of the move toward resolution of Korean Peninsula tensions. There are also reasons to believe that the PRC relationship with or toward Taiwan (Republic of China: ROC) can also be effectively managed without conflict.

All of these developments may necessitate a new set of Australian treaties or strategies, independent of ANZUS, which consider Australian requirements in East Asia. Similarly, ANZUS was not created specifically to consider the emergence of South Asian and South-East Asian states as Australian strategic priorities, and the emergence of India as a great power — similar to the emergence of the PRC — requires separate thinking, some of which needs to be reflected in Australia's engagement within ANZUS. Equally, it will require consideration of separate Australian strategies and possibly treaties.

In essence, ANZUS was considered originally in the light of the Cold War and the US-Australian perceived requirements to act within a Pacific and East/South-East Asian context. The Treaty, however, has proven flexible enough to consider the post-Cold War world, but now needs re-examination in light of Australia's likely need to develop companion, but independent strategies and *modus vivendi* to cope with other challenges and alliances.

ANZUS, therefore, will move eventually from being the sole overriding strategic treaty — without discounting other arrangements such as the Five-Power Treaty Arrangements and ANZUK, etc. — to being the major treaty among a balanced set of treaties which safeguard Australia's interests.

3. The Value of US-Australian Intelligence Sharing

While it could be argued that the superpower — and global — status of the United States dominates the defence aspect of the partnership between Australia and the US, it is far less clear that the US dominates, from the standpoint of value, in the area of intelligence-sharing within the Alliance. The US, with its space dominance, has greater resources to contribute in the area of technical intelligence collection (SIGINT, PHOTINT, COMINT, etc.) — intercepts and overhead imagery in particular — and this dominates both the volume of output and budgets.

But within the South Pacific, South-East Asian and East Asian regions — and possibly much of the littoral of the Indian Ocean — it is Australia which has a significant volume and quality of intelligence to contribute to the Alliance, both of a technical nature and particularly, but more importantly from Australian human intelligence (HUMINT) sources and analytical capability.

Indeed, the sheer volume of US-supplied technical intelligence product and imagery holds the potential to distort balanced Australian policymaking because it lacks a balance of contextual input from well-established HUMINT sources and contextual analysis. The

lessons of US intelligence relating to the build-up and *cassus belli* for the 2003 Coalition war against Iraq should be of salutary importance when considering the value of the US contribution to US-Australian intelligence sharing. Given the overwhelming nature of intelligence which was available⁶ to justify the *cassus belli*, what was significant was that the US intelligence community failed to comprehend, coordinate and present that material in the form of assessments which could have significantly assisted the political and military prosecution of the war. This was largely attributable to the lack of historic continuity in US HUMINT and the function of related experience in developing assessments.

The US has, in the late- and post-Cold War periods, addressed emerging crises on an *ad hoc* basis, throwing intelligence resources at problems as they arise, without regard to the necessity for a pre-existing basis of cultural and political context to shape policy before action is engaged. This is an expensive approach to policy, triggering as it does high-cost responses before adequate understanding of the problem is reached, based on sound context-based analysis.

What recent history has demonstrated is that technical intelligence and overhead imagery is critical in warfighting, and therefore the US capability is invaluable to Australian defence capabilities when the US and Australia are engaged in coalition military activities. Equally, however, HUMINT has been vindicated as a critical element of defence and strategic warning capability, and in this regard, Australia's continuity of capability is critical to both Australia and the US. As well, Australia's battlefield, tactical reconnaissance capability has proven superior to that of almost all other military forces, something which was demonstrated effectively during post 9/11 operations in Afghanistan and during the 2003 conflict in Iraq.

The US has consistently underplayed its deficiencies in many areas of intelligence collection and interpretation and, indeed, appears to refuse to accept that such deficiencies exist. The failings of US intelligence capabilities — particularly in areas of HUMINT and the ability to assess intelligence within broader geographic, cultural and historic contexts — can have profound disadvantages for US alliance partners such as Australia.

In summary, while Australia benefits significantly from the global technical collection capability of the United States in the intelligence arena, Australia has significant intelligence capabilities and experience of its own at both a collection level, in terms of tactical military capability, and at an analytical and interpretive level. There is, however,

⁶ Significant quantities of intelligence were available from private sources, as well as US, European and Israeli intelligence product before the war to highlight the nature of activities conducted by the Administration of Iraqi Pres. Saddam Hussein in concert with Syria and Libya, in particular, to justify the claim that Iraq had violated the tenets of its 1991 agreements and UN rulings. That this material was not compiled into a comprehensive analytical case for US, Australian and other Coalition leaders highlights both a failure of intelligence at policy or analytical levels, as well as a failure at strategic policy levels. The author, who was directly engaged in intelligence issues to do with this subject during the timeframe concerned, has substantial documentation to justify these points, which are not discussed in detail here because they are merely illustrative of the areas of concern in the US-Australia intelligence arena.

little evidence that Australia has developed the confidence in its own capacity to undertake global strategic assessments to the degree required of a nation entering the realms of middle power status. There is an evident need to broaden debate and expertise outside the narrowest realms of classified analysis in Australia, and an increased willingness for analysts and collectors in the classified or "black" arena to understand that — particularly in the modern information environment — they do not necessarily hold all of the keys to balanced final intelligence product.

Having said that, the lack of independent analytical capability in Australia, in terms of strategic intelligence assessments, has only now begun to be addressed.

Even with this shortcoming, which applies largely to providing the Australian Government with independent, world-class support for policymaking, Australia's intelligence contribution to the Alliance — and, indeed, to the entire UKUSA Accords framework — remains extremely strong and professional. Australia needs to promote this contribution, and even high potential contribution, to a greater degree at the highest levels of the relationship.

4. The Role and Engagement of the US in the Asia-Pacific Region

It is clear that the nature of the US engagement in the Asia-Pacific region has changed substantially during the half-century of the ANZUS Alliance, and is now changing still further. The key factors governing the US posture in the Asia-Pacific region for the coming decade centre around:

- The growth — and increasing sophistication — of the People's Republic of China (PRC) as a major economic, political and military power in the region;
- The potential for resolution or transformation — either through evolutionary politics or conflict — of the Korean Peninsula state of war;
- The development of regional capacities for the refinement of threats related to ballistic missiles and nuclear warheads (principally by the PRC and DPRK, but also by India and potentially the ROC: Taiwan), as well, in response, as the US-led developments of technologies — principally anti-ballistic missile (ABM) systems — to counter the threats at an operational level, and strategic actions to force constraint at other levels;
- The development of increasing strategic autonomy by Japan from the post-World War II attitudes and perceptions;
- The ongoing need of the US, as a global power, to sustain a physical presence in the Asia-Pacific region, as well as the Indian Ocean region, simply to safeguard and project US economic interests;
- The development of Central Asia as a new area of US energy dominance, with attendant military-strategic implications for the PRC, Russia, the Arabian

Peninsula and Persian Gulf states, Red Sea/Suez sea lanes of communications (SLOCs) linking with Asia-Pacific SLOCs, and so on.

The implication of almost all of the trends in the region is for a different set of US force deployment responses in East Asia and the Western Pacific, and into the Indian Ocean, than have existed through the latter part of the 20th Century. Changes will occur as to the size of deployments, depending primarily on whether or not the Korean Peninsula situation moves toward conflict and whether or not the PRC moves toward a military resolution of its confrontation with Taiwan/ROC. In the event that the Korean and Taiwan situations continue to move toward possible non-military solutions, changes in US deployments and operational mode will occur more qualitatively because of the need to deploy smaller force structures more flexibly.

Substantial changes already occurred in the mode of deployment of US forces in the Republic of Korea in 2003, partly as a response to the *Minju Dang* (Millennium Democratic Party: MD) candidate Roh Moo-hyun, 56, who won the December 19, 2002, Presidential election on the basis of a continued engagement of the DPRK and criticism of the US hard line against the Pyongyang Government. The approach of Pres. Roh's Government led the US George W. Bush Administration to take the US 2nd Division out of the direct line-of-fire along the Demilitarised Zone (DMZ) and force the ROK Armed Forces to take the initial brunt of any prospective DPRK attack. This forced the ROK to rely less on the US to suffer the major consequences of a surprise DPRK attack, while at the same time giving the US far greater strategic military depth and flexibility in any possible conflict with the DPRK.

This significant change in US military deployment in South Korea — described here simplistically — significantly altered the nature of possible warfighting on the Korean Peninsula and the way the US viewed its military options in the area. Similarly, the Bush Administration process of strenuous engagement of the DPRK leadership indicated that the US was not moving forward on the basis of a perpetuation of the *status quo ante* on the Peninsula.

This reflected not only the reality that the DPRK Administration of Kim Jong-Il was reaching possibly its most unstable point, but also reflected the changing — and yet divided — approach of the PRC toward the DPRK (with part of the People's Liberation Army leadership supporting the DPRK, and part working toward a peaceful transformation of the situation in North Korea). As well, the new US approach showed a recognition of the inevitability of a reduction and eventual removal of US forces from the Korean Peninsula, either through conflict or political evolution. But it also reflected the reality that the stability, size and options available for US force deployment in Japanese territory are also changing and will eventually lead to a US withdrawal of some or all of the existing US force structure there.

The PRC leadership knows that any Korean or Taiwan-related conflict would prolong the US East Asian deployments, which inclines the dominant elements in Beijing (including former Pres. Jiang Zemin, Chairman of the Central Military Commission) toward policies which help facilitate the US withdrawal. Diminished US military presence in East Asia

increases PRC options to exercise regional authority. The question remains as to whether competing elements in the PRC leadership will have the patience to see a strategy of restraint pay dividends for Beijing. [As a related observation, it is worth noting the fact that the PRC leadership has accepted with remarkable equanimity the deployment of US, Australian, European and Russian military deployments into Central Asia, ostensibly to wage the "war on terror", but which also place a new and significant potential military challenge on its Western frontier. Many Chinese analysts believe that this deployment of potentially hostile forces was designed to balance any possible PRC move to act aggressively against Taiwan; even so, the PRC engaged with, rather than against, the states combating terrorism, and this response, perhaps more than any other, was a watershed in US-PRC strategic relations.]

The process of strategic transformation in the East Asia/Western Pacific region — including the gradual realignment of the US-Japan strategic relationship — will take place over the coming two decades or so, but many changes will occur in US force capabilities in the region within that time.

In a significant review of the US-Japan alliance published in January 2004, US Lieutenant-Colonel (P) William E. Rapp noted:

"Japan is risk-averse, but increasingly self-aware, dramatic (in Japanese terms) security policy changes will continue to be made in small, but cumulative steps. These changes in security policy and public acquiescence to them will create pressure on the alliance to reduce asymmetries and offensive burdens since the ideal, long-term security future for Japan does not rely on the current role vis-à-vis the United States. Both Japan and the United States must move out of their comfort zones to create a more balanced relationship that involves substantial consultation and policy accommodation, a greater risk-taking Japanese role in the maintenance of peace and stability of the region, and coordinated action to resolve conflicts and promote prosperity in the region."

"Because neither country has a viable alternative to the alliance for the promotion of security and national interests in the region, especially given the uncertainties of the future trends in China and the Korean Peninsula, for the next couple of decades the alliance will remain central to achieving the interests of both Japan and the United States. A more symmetrical alliance can be a positive force for regional stability and prosperity in areas of engagement of China, proactive shaping of the security environment, the protection of maritime commerce routes, and the countering of weapons proliferation, terrorism, and drug trafficking. Without substantive change, though, the centrality of the alliance will

diminish as strategic alternatives develop for either the United States or Japan.”⁷

Both Japan and the US have clearly been probing new defence options in Asia and the Pacific to achieve their strategic objectives. The US interests in Asia are now more diffuse than they were for much of the post-World War II era: the US must focus strongly on current or potential operational requirements built around potential operations related to Korea, Taiwan and Afghanistan, along with instabilities in Indonesia and the South China Sea (Spratlys). For the first time, developments after September 11, 2001, necessitated that the US for the first time truly see the Pacific and Indian Ocean theatres as being integral, and yet without the same fixed basing which had been available during the Cold War. As well, US budgets are now more constrained than in the past: airlift is severely challenged within the US force structure, as is aerial refueling capacity.

Inevitably, the US must rely more on strategic partnerships throughout the regions, and these relationships must vary in their nature given the challenges and resources available.

This does not mean that the US will — or can — forsake traditional basing requirements. The steady reconstruction of capability for US deployment through Guam is symptomatic of the reality that the US will not let its relationships with its Pacific microstates wither in the near future. As well, the US requirement to develop terrestrially-based anti-ballistic missile (ABM) capabilities means that US use of facilities in the Marshall Islands will also continue into the foreseeable future, regardless of developments in the Compact of Free Association between the US and Marshalls.

Nonetheless, constraints on US forces and budgets will mean that the US will increasingly need to rely on Australian force capabilities to meet mutual strategic goals, particularly in the Indian Ocean and South-East Asia. The US reliance on Australian defence capabilities in the post September 11, 2001, period seems unlikely to diminish except in the event that the US unilaterally abandons its “war on terror” and its commitment to developing and furthering its energy and strategic interests in Central Asia and its need to maintain at least a degree of partnership with Indian defence forces.

In light of the recent focus on Indian Ocean deployments and crises best addressed from the Indian Ocean, the decision of the Australian Government in the mid-1980s to move some 50 percent of Royal Australian Navy basing to Western Australia now seems insightful and provident.

In summary, US defence strategies and deployments in the Asia-Pacific region — including, by association, the Indian Ocean and Central Asia — will become increasingly constrained by budgets and existing capabilities. This has been recognised within the current phase of US defence restructuring. It was revealed at the beginning of February 2004 that US Defense Secretary Donald Rumsfeld was planning a “sweeping revision” of the US command apparatus throughout Asia and the Pacific, a region which draws on a

⁷ Rapp, William E.: *Paths Diverging: The Next Decade in the US-Japan Security Alliance*. Carlisle, Pennsylvania, USA, January 2004: US Army Strategic Studies Institute.

force of some 300,000 US service personnel: the largest combatant command in the US Defense forces.

Among the command elements likely to be dismantled in the Republic of Korea are: the United Nations Command (UNC), US Forces Korea (USFK), Combined Forces Command (CFC) and the Eighth US Army. This would remove one US four-star billet, but a new four-star Army slot would be the Command of US Army forces Pacific, based at Ft. Shafter, Hawaii, currently a three-star slot.

In Japan, it was expected that the United States Forces Japan (USFJ) command would be abolished and be replaced by an operational corps headquarters under a lieutenant-general.

US Pacific Command spokesman Capt. (USN) John Singley said:

“The Pacific Command is currently reviewing plans to strengthen our defence posture as part of a larger US Government global effort in that regard. We are currently consulting with our allies and partners in the region and will continue to do so before any decisions are made.”

“Some of these plans are near-term. Others are further in the future. The aim of the global posture review is to strengthen our defence relationships with key allies and partners, improve flexibility, enable action regionally and globally, exploit advantages in rapid power projection, and focus on overall capabilities instead of numbers.”⁸

The US and ROK governments had already announced in 2003 that the US HQ in Korea would move from the Seoul area to a new site some 75 miles south, along with the move of the US 2nd Div., noted above. At the same time, the US made it clear that it was moving to smaller, more flexible ground force structures, effectively making the brigade, rather than the division the principal unit of ground force maneuver in future conflict. This Army restructuring was less significant to US-Australian defence relations in terms of the Pacific, but will obviously be of critical importance to future US-Australian joint operations in any area of the world.

5. The Adaptability and Interoperability of Australia's Force Structure and Capability for Coalition Operations

The lessons of military operations in Afghanistan, but more importantly in Iraq during 2003, provided the governing criteria for US force restructuring. In this regard, the high “return on investment” of relatively small unit operations by Australian, British and Polish forces during the 2003 Gulf War II combat clearly made an impression on the US plans to re-think future force structures.

⁸ Halloran, Richard: *US Pacific Command facing sweeping changes; Rumsfeld plan is designed to make forces more responsive*. In *The Washington Times*, February 2, 2004.

Australia has faced defence budget and manpower constraints for a longer period than the US and has been forced to make small unit operations the basis for its defence projection. In essence, the brigade has been the major ground force unit of the Australian Army for some time, paying only theoretical regard to the division as a unit of maneuver only in a major war.

Australian forces have had sufficient experience in recent conflicts — including Gulf War I in 1991 and the later engagements in Afghanistan and Gulf War II, as well as East Timor — to know that Australian Army, Navy and Air Force elements have greater flexibility than most forces in the world, and, at the same time, sufficient experience to ensure that they are essentially interoperable with US and other NATO forces, as well as those of South-East Asian states.

This flexibility and interoperability is a product of experience. By comparison, the performance of the Argentine Air Force during the Falklands war of 1982 was exemplary, albeit constrained by inferior equipment. This capability was a direct result of the regular exercises conducted between Argentine and US air forces. On the other hand, the performance of the Argentine Army and Navy were poor in almost all senses, largely because they had little experience on which to base any of their actions — resulting in poor equipment choices, among other things — and virtually no experience at exercising with foreign powers.

This does not mean that Australian defence planners can rest on their laurels. However, in the areas of interoperability and flexibility, Australian forces are an example to the rest of the world. Ideally, while it is critical to continue to learn lessons from failures in conflict, it is equally important that Australian defence analysts begin the process of learning from and codifying for future use the successes of Australian forces in recent and current conflicts.

6. The Implications of Australia's Dialogue With the US on Missile Defence

The underlying principle of the current work on missile defence in the US, Israel, Europe, Japan and other states is that nuclear weapons proliferation, coupled with the development of longer-range ballistic missiles, already poses a threat to the stability of the international environment. The response to that nuclear weapon/ballistic missile threat is seen to be in the form of surface-based anti-ballistic missiles (ABMs).

Arguably, the missile defence theories currently being espoused — and being codified in actual ABM systems — revolve around the creation of highly-expensive and complex weapons systems to defeat the relatively primitive (but massive) threat posed by the ballistic missiles and their nuclear warheads. The threats presented are largely counter-city threats, rather than counter-force. As presently structured, most current and foreseeable threats in this regard are not, for the most part, from weapons which could be described as “war-winning”. Rather, they are designed largely to be systems of blackmail and political coercion, or, at best, “defeat-avoiding”.

In the case of the DPRK, Iran, Iraq and Libya, for example, the concept of creating viable ballistic missile forces along with nuclear or biological warheads was designed to give the holders the ability to withstand attack or pressure from the US or other external forces. The DPRK and Iran leaderships have, in particular, indicated that they have felt that the survival of DPRK leader Kim Jong-Il to this point was solely based on the belief abroad that North Korea had a capability to defend itself with nuclear weapons (albeit a capability which was never publicly accepted by the US, but which was widely believed to be the case for some years).

The reality has been, for some years, that technologies exist which can detect ballistic missile launches in real-time anywhere in the world. As well, it has been theoretically possible for some years to create space-based, energy-derived ABM systems which could automatically track and destroy ballistic missiles at apogee. This concept was to have been developed into reality under the US Reagan Administration's Strategic Defense Initiative (SDI). Instead, political opposition — led largely by the Soviet Union's support mechanisms in the West — meant that SDI was abandoned when Pres. Ronald Reagan left office. Incoming Pres. George H. W. Bush transformed SDI into a far more expensive terrestrially-based approach, based on existing technologies, removing it from being an internationally-controlled system to an ABM system which defended only sovereign targets against limited ballistic missile attack.

Given the momentum of the work, the Clinton Administration which replaced the Bush 1 Administration merely continued the momentum of the ABM programs at a limited level.

What this political curbing of SDI achieved was the lengthening of the life of antiquated and obsolescent weapons systems — long-range ballistic missiles with nuclear or biological warheads — when they could already have been eliminated.

The reality is, however, that effective neutralisation of the ballistic missile/nuclear weapons threat has not yet occurred, and the ballistic missiles of the PRC, DPRK and India pose capabilities which Australia must recognise for at least the coming decade or two.

The implications of Australia's dialogue with the US on cooperation in ABM programs primarily include the opportunity that Australia should be able to develop the technical understandings to create credible strategies and policies for defense against potential missile/nuclear threats to Australia. Developments of the post-Cold War era meant that the threat of nuclear weapons has moved from the essentially East-West mutually assured destruction (MAD) scenario which held NATO states and Warsaw Treaty states hostage, to an era in which the threat of nuclear attack has become more fluid and unstable, and more possibly directed to targets outside the NATO or Eastern *bloc*, however unlikely such an attack might be.

As well, Australian engagement with the US on this issue allows Australian science and industry the opportunity to participate in research and manufacture at levels previously not addressed. At the same time, Australian technologies, such as those developed for the

Jindalee OTHR program may well offer innovative contributions to US and international thinking in the ABM field.

7. Concluding Points

7.1. In the absence of a major strategic watershed — which could include ideological shifts in either the US or Australian leaderships — the US-Australia strategic relationship is likely to remain the most significant single element of Australia's global national security framework for the foreseeable future. In this regard, technical or capability-related elements of the relationship will for the next several decades be a significant underpinning of the partnership, quite apart from the current (and foreseeable) ideological and societal links between the US and Australia. In other words, the defence procurement decisions made by Australia, favoring US suppliers of main weapons systems such as the F-35 Joint Strike Fighter, will force Australia to adhere to a relationship with the US even when political pressures work against the relationship from time to time.

7.2. Australia, as a trusted ally and strategic partner, is highly-regarded by US officials at all levels. However, in the bilateral defence relationship, Australian Government officials — elected and appointed, uniformed and civilian — have almost totally allowed themselves to be “channeled” into working relationships at junior- to mid-levels of the US Administration and Armed Forces.⁹ Australia has failed to adequately engage the broader sector of influences on US strategic policymaking, preferring the safer route of dealing almost totally within the framework of “government official to government official”. This completely misunderstands how the US system works. As a result, Australia has not fully engaged the US Congress nor the highest levels of the US Administration, despite the warm expressions of friendship which accompany meetings at head-of-state or cabinet/sub-cabinet levels. Thus the value of Australia's invaluable contributions to the Alliance in intelligence, defence and geopolitical terms are not sufficiently appreciated in Canberra. It is imperative for Australia's continued growth as a strategic middle power and partner — not a junior partner — in the Alliance that this situation be redressed. Moreover, it is important that the situation be reviewed in light of the reality that more informal, and often non-governmental linkages be pursued than has been the case in the past. Equally, the question must be asked whether, because of existing attitudes and thinking, the Australian defence community is equipped at this stage to be able to assess how such changes or additions should be made to Australia's approach to upgrading engagement with the US. This is not to denigrate in any way the exceptional professionalism of Australian officers and officials; rather, in some respects, they are too formal and direct in their relationships to consider the almost anarchic approaches to policymaking in the multi-polar Washington morass. But fundamental to

⁹ The extensive exchange policy, under which Australian military officers attend US defence colleges and undertake exchange assignments with US forces (and under which US officers undertake the reverse), is invaluable for interoperability purposes between Australian and US forces. However, while this also leads to an understanding of how the military systems function in many ways, such experience should not be taken to construe that Australian officials derive an understanding of the way in which US policy itself is formulated. Indeed, the contact and experience between military or Defence Department/Defense Department officials often leads Australian officials down a narrow path, removing them from access to, or understanding of, the less tangible or formal aspects of US policy formation and influence.

this is the understanding that Australia makes a contribution of increasing value to the bilateral security relationship, but has yet to receive adequate US recognition or reward for this growing role.

7.3. The ongoing schism between New Zealand and the United States within the context of the ANZUS Alliances has placed an undue burden on Australia's defence and financial resources. As well, the absence of New Zealand from the Alliance means that the potential of ANZUS to fulfill its potential for the protection of the geopolitical regions — which link the US through the Pacific with Australia to the Indian Ocean — is limited. This in turn inhibits the strategic growth potential for the three original ANZUS signatories, and particularly the economic continuity which such an alliance should bring. As a result, a major priority for Australia, which has borne most of the increased defence burden since 1985, should be to assist in repairing the New Zealand rift with ANZUS. This may take extraordinary diplomatic efforts by Canberra with both Wellington and Washington, using the highest levels of Australian authority. However, the cost-security benefits which could accrue could make this of prime strategic importance to Australia in the long-term.

7.4. Australia's commitment as a partner to both the F-35 Joint Strike Fighter and ballistic missile defence programs led by the US offer significant opportunities for Australia to participate in defence industrial opportunities at the highest technological levels. As well, they offer Australia the opportunity to participate in the planning and contextual thinking — such as threat considerations and the like — behind the programs. However, the increasing tendency to involve Australian defence industrial capability only as subordinate partners in major US or European programs has left Australia largely without the ability to control the destiny of any single area of defence production vital to Australia's security, or to control total defence systems for sale to allies in the international marketplace. This is of very real strategic concern.¹⁰

7.5. Australia's Armed Forces have demonstrated that they are of a professional caliber to match those of the US, and therefore interoperability issues are of less concern than for most countries' forces. Similarly, because budget and manpower constraints have realistically limited Australia to operating its ground forces at brigade size as the Army's

¹⁰ Australia developed a significant capability in the manufacture of weapons systems during World War I, for example. Even before that had actually pioneered the development of naval torpedoes, the aircraft design used by the Wright Brothers in 2003, and rotary engines used to power World War I aircraft. By World War II, Australia produced indigenous fighter and transport aircraft designs of world stature; in the immediate aftermath of that war it produced the world's fastest piston-engine fighter, and subsequently produced a jet fighter design which was adopted as the English Electric *Lightning* interceptor by the United Kingdom. After World War I, the UK Government essentially told Australia — and South Africa and other dominions — that their mobilisation from agrarian to industrial economies was no longer needed, and Australia reduced its defence industrial base. The same situation essentially applied after World War II. The 1985-86 Australian Government decisions to once again achieve a measurable balance of defence industrial self-sufficiency led to a world-class submarine construction capability, which is now being sought by US corporations. It is the view of this author that Australia's extremely capable and innovative approaches to defence systems — across the board from ground systems to aircraft, missiles and naval vessels — has been insufficiently studied with a view to preserving national independence and national export capabilities, as well as skills which could be passed to other, civil sectors.

principal operational unit, Australian Army operations actually resemble the proposed focus by the US on the brigade as the principal unit of maneuver. In this regard, then, Australia is well-placed to continue to interact with US forces, as in many other arenas.

7.6. Given that the US-Australia alliance structure will continue to be central to Australian security, it is also true that a wide range of other strategic realities will also gain in importance over the coming decade. Australia has its own reasons, apart from the US Alliance, for establishing working relationships with India, the People's Republic of China (PRC), Japan and other states. It is also foreseeable and highly important that Australia be ready for a transformation in Iran to the point that a change of leadership in that country. In the event of an acceptable change in that country, Australia must consider alliance relations with a post-revolutionary Iran. Similarly, Australia must consider more substantial strategic relations developments with a wide range of other states, including, for example, Egypt (Suez Canal), Somaliland (Red Sea egress), South Africa, and so on. These can and should be considered in light of their interoperability with the US-Australia alliance.

Attachment:
Background Details: Gregory Rolph Copley

Gregory Copley is a Director of FDI US-Australia Foundation, Inc., the US subsidiary of Future Directions International, Inc. (FDI), the Australian non-profit research organization established to support strategic decisionmaking in Australian government, corporate and academic arenas. Mr Copley is also a founding Director of FDI.

Perth, Western Australia-born historian, author and strategic analyst Gregory R. Copley, 57, has for more than 30 years worked on strategic policy, intelligence and defence issues at the highest levels with various governments around the world. He has worked, during the past 32 years, mainly from the Washington, DC, area and from London.

He is the Editor-in-Chief and founder (in 1972) of the *Defense & Foreign Affairs* group of publications. Apart from his role with FDI and FDI US-Australia Foundation, he is founder (in 1982, with renowned strategist Dr Stefan T. Possony) and President of the International Strategic Studies Association (ISSA), the global non-governmental organization (NGO) for senior professional officials involved worldwide in the formulation of national and international strategic policy. And he was the founder, in 1999, of the Global Information System (GIS), an on-line, encrypted-access core strategic intelligence database and system for use by governments worldwide.

As well, he has been extensively involved as an industrialist in heavy engineering enterprises, ship and yacht design, and airline development.

Mr Copley, although based now in the Washington, DC area, retains his domicile in Australia, and is a sixth-generation Western Australian, born on October 28, 1946.

Apart from his open information and other activities, he has, since the early 1970s, been heavily involved in classified strategic analysis and operations for governments worldwide. This has involved the preparation of strategic philosophies for the restoration of elected government in certain countries, including input into the preparation of constitutions and electoral processes. It has, on numerous occasions, involved urgent work of a practical and political nature to halt existing conflicts or to prevent the imminent outbreak of hostilities.

Mr Copley, through *Defense & Foreign Affairs*, also undertakes special conferences and seminars for very senior political, government and defense personnel, often at cabinet or head-of-service level, on how to cope with current and projected strategic crises. He has personally also acted as an adviser on national planning issues to a number of governments at Head-of-Government or Cabinet level.

He is the author of several thousand articles, open and classified papers, speeches and numerous books on strategic, defense, aviation, and other subjects, including two books of poetry. His latest book, *The Art of Victory*, is due to be published in 2004, but it was described by Australian Governor-General Michael Jeffery as a book "of immense

breadth ... inspiring, stimulating". Former US Secretary of State Gen. Alexander M. Haig, Jr., said the book was "an important publication ... every student of statecraft will gain importantly from Copley's sweeping analysis".

Mr Copley's recent books include the annual 2,100-page *Defense & Foreign Affairs Handbook*, an encyclopedia with chapters on (in the current edition) 245 countries and territories worldwide. He has authored and edited 15 separate editions of this unique encyclopedia since 1976. The book has gone to senior government officials in more than 170 countries — including some 130 heads-of-state and heads-of-government — each year, and Judge Clark, when he was National Security Advisor to US President Ronald Reagan, said it was:

"indispensable to the running of the National Security Council".

Gregory Copley wrote the *Defense & Foreign Affairs Handbook on Egypt*, the first edition of which appeared in 1995. Another new book by Copley — *Ethiopia Reaches Her Hand Unto God: Imperial Ethiopia's Unique Symbols and Structures of Power* — appeared in 1998, as did a book which he co-wrote and edited, *Managing the Era of Great Change*. He also co-wrote and edited *The Global Strategic Condition*, published in 1999, and *Conflict or Calm? Views of the Coming Decade*, published in 2000.

One of Gregory Copley's earliest books, *Australians in the Air*, was published by Rigby in 1973, and is still regarded as the definitive history of Australian aviation. Before that, when he was 18 and 19 years old, he ghosted the first drafts of the autobiography of noted Australian aviation pioneer, Sir Norman Brearley: *Australian Aviator*. He had also edited and written several editions of the *Australian Aviation Yearbook* in the 1960s, and founded and edited *Aero* aviation magazine, which was at that time the largest-selling aviation journal in Australia. He also established and ran, during the 1960s (until 1971), a Sydney-based 24-hour-a-day news-wire service providing worldwide news to Australian, New Zealand, British and other newspapers, radio and television, following an initial career as an award-winning defense and aviation journalist in Western Australia.

A small selection of significant analysis openly published in the *Defense & Foreign Affairs* publications included:

- ◆ Analysis and supporting intelligence in April 1972 as to how the Sadat Government would expel the Soviets from Egypt (contrary to official Western belief at the time). Proven correct within six months.
- ◆ Analysis in early 1973 as to how the demographic, economic and strategic trends would precipitate the break-up of the USSR by the early 1990s (with Stefan Possony).
- ◆ Reporting, in advance of Western government sources, the penetration of the Peruvian Government of Soviet arms sales, and the Peruvian, Argentinean and Bolivian plans for attacks on the Pinochet Government in Chile (1973-74).
- ◆ Analysis in 1973 on the prospect for a space-based, energy-derived weapons system to be used in an ABM (anti-ballistic missile) mode to suppress a Soviet first strike capability (by Dr Stefan Possony). Information noted by then ex-Governor of California Ronald Reagan who later developed it as the Strategic Defense Initiative (SDI).
- ◆ Analysis during the mid-1970s to the effect that the USSR was devoting some 13 to 14 percent of GNP to defense. Official CIA view at the time was around four percent. Subsequent red team/blue team exercises confirmed our analysis.

- ◆ Detailed analysis, supported by original intelligence, in 1974-75 to the effect that radical, revolutionary activity would lead to the destabilization of Iran and the overthrow of the Shah.
- ◆ Detailed projections in the late 1980s as to the “end of the age of ideology” and the withdrawal — in the face of the collapse of ideological communism and the Soviet economy — of the USSR from Eastern Europe, preparatory to the transformation of the Soviet Union. At this stage, no-one else was making such projections.
- ◆ Detailed analysis in early 1990 as to how and why Iraq would attempt to emerge as a major regional “great power” and would be forced to expand its access to the Persian Gulf in an attempt to outmaneuver. Subsequent analysis and reports in June-July 1990 specified and forecast accurately how Iraq would invade Kuwait (when, how and why). No other intelligence service matched the accuracy or timeliness of this prediction which, had it been acted on by the major powers, would have prevented the invasion of Kuwait and the subsequent Gulf War.
- ◆ First major reporting on the Libyan-Iraqi deployments in the Sudan before and during the Gulf War, and their strategic impact on the Red Sea environment.
- ◆ First major reporting in the 1980s and early 1990s on India’s emergence as a new great power.
- ◆ First “clean sheet” analysis during the 1970s and 1980s of Australia’s strategic environment, leading to *The Dibb Report*, and the subsequent transformation of Australian defense planning base by (then) Minister of Defence Kim Beazley.
- ◆ Significantly different analysis than was popular on the strategic origins and conduct of the conflict(s) in the former Yugoslavia in the 1990s and the emergence of a new anti-Western power *bloc* centered around the People’s Republic of China (PRC), North Korea (DPRK), Iran, Sudan and other states.
- ◆ Unique analysis during 1996 of the impending energy crisis in Asia, and the PRC’s strategic response to this, coupled with its Islamist insurgency problem.
- ◆ Unique analysis from the early 1990s to current period on radical Islamist (political, as opposed to Islamic/religious) strategic activities including terrorism. And so on: there were many more pioneering works of analysis in the journal, which continues serving the international community.
- ◆ Unique and detailed intelligence and analysis on the change of leadership in Pakistan in 1999, and the subsequent Indo-Pakistani conflict.
- ◆ First revelations, in 2002, of the illness of Libyan leader Mu’ammar al-Qadhafi, and ongoing revelations in the 1999-2003 timeframe of the Libyan weapons of mass destruction (WMD) programs, and the attempted coup against Qadhafi in December 2002.
- ◆ Detailed intelligence from the early 1990s to 2004 on the North Korean, Iraqi, Iranian and Libyan WMD programs (nuclear weapons and ballistic missiles). ... And so on.

Gregory Copley won the 1990 Award of The Asian Council, of Japan, for his work in strategic policy. He was at that time the only non-Asian to have won this Award.

He has chaired dozens of conferences and seminars on strategic issues, and spoken at these and many other international conferences on defense and strategic issues around the world. He has lectured extensively on psychological strategy, grand strategy and intelligence matters to a wide range of professional audiences in classified and unclassified sessions in various countries [notably the US, UK, Germany, Singapore, Sweden, Taiwan, South Africa, Egypt, India, Pakistan, Japan, Nigeria, etc.]. He lectured on several occasions to the US Air Force School of Special Operations, for example. Mr Copley has been invited on several occasions to testify before the US Congress and notably provided key testimony to the US House of Representatives Hearings on Nigeria, relating to that country’s constitutional crisis and human rights, in August 1993. He also authored a study, *Nigeria’s New Government*, when President Ibrahim Babangida came to office. In 1998, he undertook two major briefings to the US Congress (including one to the Senate Foreign Relations Committee) on changes in Africa.

Gregory Copley became concerned with the decline of shipbuilding in Britain during the 1970s and 1980s, and felt that the decline had, by the 1980s, begun to eat into the core capability of Britain's maritime capabilities. As a result, he set out, in 1987, to save from closure the Clyde, Scotland, shipbuilding facility, Ailsa Shipbuilders. The Ailsa company, which became the Ailsa-Perth Group, was founded by the Marquess of Ailsa in 1885. The Scottish Ailsa-Perth shipyard was sold in February-March 1996, once it became clear that the company — and the craft of shipbuilding in Britain — was once again secure. In 1994, his Ailsa-Perth Group acquired the former Royal Docks at Chatham, near London, and Ailsa-Perth Marine Ltd. — of which Mr Copley was Chairman — was actively involved in the repair, refit and construction of ships and large yachts. The Chatham Royal Docks, founded in 1554, was the site of the construction of Viscount Horatio Nelson's flagship, HMS *Victory*. Mr Copley sold up his shipbuilding interests in 1997 to focus more completely on his international relations activities.

Before this, however, Mr Copley acquired the then-120-year-old G. L. Watson & Co. Ltd. yacht and ship design bureau in 1994. G. L. Watson & Co. has designed more head-of-state and Royal yachts than any other firm in the world, and has also designed four America's Cup racing yachts.

Among his Scottish activities, Gregory Copley served for a period, under Sir Ian MacGregor, as Vice-Chairman of Highland Express, the Scottish national airline, at the request of the (then) UK Secretary of State for Defence, George Younger (later Viscount Younger, Chairman of Royal Bank of Scotland).

In September 1997, at the *Strategy '97* conference chaired by Copley in Washington DC, former US Secretary of State Alexander M. Haig, Jr., praising Copley as a strategic philosopher and close colleague of Stefan Possony, said that Gregory Copley had

“... made a significant contribution in helping to bring about an end to the Cold War”.

Earlier, in his book, *The Conservative Decade: Emerging Leaders of the 1980s*, author James C. Roberts had said of Copley:

“Gregory R. Copley, at age 33, is already the potentate of his own mini-empire of foreign affairs concerns. A native of Australia ... Copley manages a thriving Washington-based enterprise ... He does much of the writing himself, displaying a literate style and an encyclopedic knowledge of international and strategic realities as he threads his way through matters as diverse as the coup in Afghanistan and the RAF's newest fighter plane. Surveying Copley's enterprises, it can be said that his activities are as far-flung as those of the US State Department and that his grasp of world realities is vastly superior.”

For his work in the build-up to the 1991 Gulf War, when tensions were quietly running high between the Kingdom of Saudi Arabia and Great Britain, a Saudi Cabinet Minister, Bandar Bin Abdallah Bin Abdulrahman Al Saud, said in a letter to Copley:

“In a very critical moment, your impressive efforts contributed positively to clear major problems and set the record straight between both countries.”

Lt.-Gen. Aliyu Mohammed, former Chief of Staff the Nigerian Army and now National Security Advisor to President Olusegun Obasanjo, said of Copley and *Defense & Foreign Affairs*:

"*Defense & Foreign Affairs* publications and conferences have always been unique in their assiduous and impartial attention to African strategic affairs, so often ignored or undervalued in international publications. During my tenure as National Security Advisor to the President of Nigeria and as Chief of Staff, Nigerian Army, *Defense & Foreign Affairs* pointed out — as no other publication did — the significant and ongoing strength of Nigerian (and African) contributions to World peacekeeping efforts ... It is important that *Defense & Foreign Affairs* continue to provide its impartial analysis and unique grand strategy perspective for the coming generation of military and political leaders."

The late US Congressman Sonny Bono, a Member of the House of Representatives National Security Committee and the Subcommittees on Military Procurement & Military Personnel, noted in 1997:

"Both you and Dr Stefan Possony, your co-founder [of *Defense & Foreign Affairs*] have been no strangers to Capitol Hill, and your writings and occasional testimony have been greatly appreciated."

Australian Federal Opposition Leader [until the November 2001 elections] and former Minister of Defence Kim Beazley, MP, said, on the 25th anniversary of *Defense & Foreign Affairs* in 1997:

"... Your publication has been an invaluable source of intelligence. The thoroughness with which you have reported the affairs of states which do not necessarily ring bells in day-to-day media headlines in Europe and US has been a valuable policy tool. ... Keep up your good work over the next 25 years."