



Submission No 6

Review of the Defence Annual Report 2010 - 2011

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To the secretariat, Joint Standing Committee on Foreign Affairs, Defence and Trade Review of the Defence Annual Report 2010-2011

Please find attached a submission to this review. You will note that it takes the form of my previous submission to the Defence White Paper in 2008. I present it here with comments in brackets to bring it up to date. Tellingly, all the predictions made in that paper have come to pass and all the observations are still relevant. Below are some points addressing specific issues that have progressed since 2008. Accordingly I include this cover letter as part of the submission and ask that it be made viewable on the review website.

In addition I refer the Committee to my previous submission to the JSCFADT inquiry into *Australian Defence Force Regional Air Superiority* available here: <http://www.aph.gov.au/house/committee/jfadt/adfair/subs/sub32.pdf>

All the statements and observations in that submission are still true and relevant to the current review, excepting that the Joint Strike Fighter performance is now far less than I envisaged in 2006. You may consider that submission to be part of this submission also.

Both these submissions heavily reference research by Air Power Australia. I wish to stress that I do not represent Air Power Australia, nor do I have any factional interest in Defence matters. My concern is solely the security of Australia and her near friends and allies in our arc of influence – PNG, Fiji, New Zealand et al. I reference Air Power Australia (APA) analysis for the following reasons:

1. APA comprises career engineers, pilots and air power planners, and defence scientists, many of whom have invested their working lives in building Australia's defence capability from the inside;
2. APA has no financial stake in the outcome of any acquisition program within Defence;
3. No one at APA has a career to protect within Defence;
4. APA is linked to a deep and extensive international network of air power experts;
5. APA analysis takes the form of peer reviewed scientific papers;
6. Taken in total this published material represents much of the analytical work that Defence should have done as a matter of course over ten years and failed to do, or actively suppressed;
7. APA has done this work ex gratis and made it available to the world; and
8. APA has made the connections between an understanding of the physical capabilities of air power weapon systems (planes, SAMs, radar systems etc), tactical matters, and strategic policy. I am not aware of any other open source that has attempted this with similar rigour.

Note that the commercial value of this work would be hard to estimate but Australia owes the APA community a considerable debt.

I have not referenced analysis by the Department of Defence for the following reasons:

1. I could not find any.

2. Public statements by Defence usually take the form of unsubstantiated claims and an appeal to secrecy.
3. In relation to the Joint Strike Fighter and related matters Defence 'analysis' often replicates verbatim public statements by the Lockheed Martin publicity office.
4. These statements are not adjusted to reflect known realities, for instance the Department still talks about "affordable stealth" in relation to the JSF.
5. The Department and Ministerial Offices continue to repeat known untruths some of which are addressed below.
6. Defence has never publicly, in closed session with any minister, or else-where, and with evidence, refuted any of the claims of APA that are in direct contradiction to statements by Defence.
7. Defence in their public pronouncements and through the Minister have not acknowledged the existence, let alone the profound strategic shift, brought about by the T-50 and J-20 Russian and Chinese stealth aircraft designs, proliferation of advanced SAM systems, counter stealth radars, or evolution of the Sukhoi design.

F-111 Capability and Availability

Since the attached submission was written the F-111 has been removed from active service and the Sole Operator Program closed. This was in itself a travesty since at that time the Commonwealth Audit Office had stated that the airframe was safe for another 10,000 flying hours. Independent testimony stated that with a virtually infinite supply of spare parts in the USA, the F-111 could be maintained almost indefinitely and evolved into a modern interceptor. This would leverage the significant investment already made in the aircraft and pay significant dividends to Australian industry. The F-111 represented a third of the strike capability provided by the RAAF. There is no other aircraft that currently has the same capabilities apart from the Russian SU-34. This matter deserves attention by the Committee since it goes to the heart of what drives decision making within the NACC program office. It illustrates the cavalier approach taken to hugely expensive and profoundly important decisions by Defence, and says much about the profoundly dysfunctional imbroglio that air power planning (or non-planning) in Australia has become.

F-22 Capability and Availability

Defence has stated directly and through the Minister's Office, and in correspondence to me, that the F-22 Raptor has never been available for export, that it is only suited to a niche role and that it is prohibitively expensive. Further, the F-22 assembly line has closed and some sources have stated that it cannot be re-opened. *All of these statements are false.*

An export version of the F-22, dubbed the F-22A, was offered for export to Australia in 2001. The delegation from the USA was turned back at the airport on arrival in Australia because Defence had already decided in the JSF. At that time the JSF was a concept program and the F-22 was a proven operational capability. Defence did not examine the F-22 offer.

The F-22 carries guided DJAMs and operates as a multi-role fighter, bomber and interceptor.

At the time the assembly line was closed the unit price of the F-22 was circa US\$120M. The final unit price of the JSF is now climbing above US\$160M. On both a unit procurement and cost for capability basis the F-22 is now the more affordable plane *even if Australia pays the full cost of re-opening the F-22 assembly line.*

The F-22 assembly line has been shut down following a massive and dishonest campaign. One consequence of shutting down assembly is to increase unit cost of future aircraft and increase pressure Congress to buy the JSF since the better rival is out of production.

Australia paid US\$300M for an option to purchase the JSF. US\$300M is the estimated cost to re-start F-22 production. It would make good sense in light of a looming A\$50 billion JSF purchase to pay the cost of re-starting the F-22 production line and purchase new Raptors for the RAAF. The manufacturer has photographed and documented every part of the production process in order to ensure that production can be re-started. The reason for this is clear. Once the fog of marketing propaganda and diplomatic arm twisting has dissipated that material reality will emerge that the US cannot remain relevant in the Pacific without the Raptor. The JSF and Superhornet are simply not survivable. When this reality becomes undeniable the F-22 program will be re-started. It is a 'when' question not an 'if' question. Export of the F-22 requires Congressional agreement to a formal request from Australia. Such a request should have been made years ago and must now be made as a matter of urgency.

I also attach for the Committee's review correspondence from (then) Air Commodore John Harvey in 2005 which includes the following statement:

"Defence has up to 40 DSTO scientists working full time on detailed technical analysis of the JSF and how it will perform when integrated into the future networked ADF. In addition, RAAF pilots are involved in high fidelity simulation exercises to assess the capability of the JSF against advances (sic) threats – both from the air and from the ground – including threats that won't be fielded for many years to come. All this activity reinforces Defence's view that the JSF, integrated into the future networked ADF, will provide the air combat capability that Australia needs well into the future."

This statement reveals an astonishing level of intellectual vacuity that says much about the NACC program office. Consider the following:

Defence has up to 40 DSTO scientists working full time on detailed technical analysis of the JSF...but none working on any comparison of other aircraft that might perform better against known reference threats. Note that in 2005 the JSF was still a 'paper plane'.

...and how it will perform when integrated into the future networked ADF. Note: "when" not "if". So by 2005 Defence had already chosen the JSF. Why? Why were 40 scientists studying a plane after it had already been selected? What did they hope to discover?

In addition, RAAF pilots are involved in high fidelity simulation exercises to assess the capability of the JSF against advances (sic) threatsthis is true, and the simulations showed that the JSF was not survivable. The following is a quote from one of the scientists working on the JSF simulations:

*“My colleagues and I do simulations of future military conflict as consultants to international clients, and my colleagues and I have done detailed studies of the JSF F-35A vs Su-35S. The result is clear but stark: the F-35As are **annihilated** in each engagement. (Note: we did the same work inside Defence using classified data and got the same result—which the Senior Defence Officers noted (up to Chief of Defence Force level), did not challenge, and proceeded with the JSF purchase. So they know the truth.)”ⁱ*

All this activity reinforces Defence’s view that the JSF, integrated into the future networked ADF, will provide the air combat capability that Australia needs well into the future. So Defence is sees its own enthusiasm for the JSF as proof that it is the right aircraft. That is the kind of institutionalised groupthink that one would expect to find in a religious cult, not in a professional organisation.

I also draw the Committee’s attention to the statement that the F-22 is three times more expensive than the JSF. The F-22 is now the cheaper aircraft.

It was in an attempt to cut through this institutionalised irrationality that I spoke to then Defence Minister John Faulkner and presented him with a submission at a community Cabinet in 2009. In essence I asked him why there was no contestability in the advice given him by Defence on any issue. He made a personal commitment to me to establish an independent expert reference group to critique Departmental advice on air power issues. Faulkner failed to do this. Given that Defence and the NACC program office still refuses to engage with anyone who disagrees with them, including prominent experts within Defence and outside it, it is vitally important in the national interest to get contestability across the board, but most urgently with air power planning.

I can only urge the Committee in the strongest possible terms to make that a key recommendation of the current review.

Sincerely

Erik Peacock

ⁱ Wing Commander Chris Mills RAAF (Retd) BSc, MSc, CEO Eagle Vision, simulations representative at REPSIM Pty Ltd, pers comm.