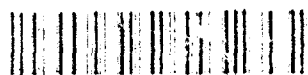


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**THREAT-AMBIGUOUS DEFENSE PLANNING:
THE AUSTRALIAN EXPERIENCE**

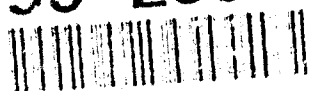
Thomas-Durell Young

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**THREAT-AMBIGUOUS DEFENSE
PLANNING:
THE AUSTRALIAN EXPERIENCE**

Thomas-Durell Young

September 10, 1993

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FOREWORD

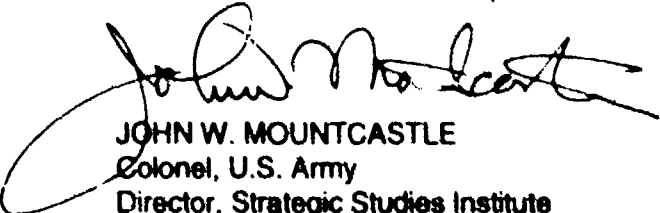
Defense planning has become increasingly difficult in the post-cold war world. We, in the West, no longer have the "luxury" of an accommodating enemy, where the "threat" was not only apparent and identifiable, but probably most importantly, it was *quantifiable*. Containing ethnic conflicts and participating in peacekeeping/peace-enforcing/humanitarian missions (military operations in which we are becoming increasingly involved), do not lend themselves to a force development process that is predominantly threat-dependent.

Clearly, new force development methodologies would be useful to defense planners in this new strategic environment. While not widely known, the Australian Department of Defence has had to struggle with this difficult challenge for many years. Since the early 1970s, Australian defense policy has not employed specific threats as a basis for developing force structure. Australia is a member of the Western Alliance and possesses a relatively sophisticated defense force. We suggest that an assessment of the Australian experience in this area has genuine value.

The author of this study does not argue the question of whether this force development methodology is applicable to other countries. Rather, the purpose of this essay is to review the evolution and intellectual process of Australian force development procedures, and identify where mistakes have been made and how they have been rectified. Moreover, the author attempts to extract the salient lessons from the Australian experience which could be valuable to other defense planners.

This report meets an identified study requirement as established in the Institute's, *The Army's Strategic Role in a Period of Transition: A Prioritized Research Program, 1993*.

The Strategic Studies Institute is pleased to offer this report as a contribution to the literature on defense force development.



JOHN W. MOUNTCASTLE
Colonel, U.S. Army
Director, Strategic Studies Institute

BIOGRAPHICAL SKETCH OF THE AUTHOR

THOMAS-DURELL YOUNG has held the Henry L. Stimson Chair of Military Studies at the Strategic Studies Institute of the U.S. Army War College since 1992. From 1988 to 1992, he was a National Security Affairs Analyst at the Institute. Prior to this appointment, he was a country risk analyst for BERI, S.A., a Swiss-based consulting firm. Dr. Young received his Ph.D. from the Graduate Institute of International Studies, University of Geneva, Switzerland; his M.A. from the School of Advanced International Studies, The Johns Hopkins University; and is a 1990 graduate of the U.S. Army War College. He has published extensively on U.S. alliance issues with particular emphasis on Western Europe and the Southwest Pacific.

SUMMARY

- Obligated by regional developments, Australia has been forced to experiment with non-threat based, or capabilities-based, defense planning for over 20 years.
- The success of the system is validated by the fact that the Australian Defence Force is capable of executing a larger number of nationally-determined tasks than was possible in the past.
- The Australian experience demonstrates that greater jointness can be developed, but only after significant changes have been made to the force development bureaucracy:
 - The primary responsibility for force development must be shifted from the individual services to the central joint staff.
 - This staff must be headed by a senior general officer, with the ability to coordinate directly with civilian defense counterparts.
 - A joint approach to reviewing capital acquisitions is made by assessing whether tasks can already be done with existing or altered capabilities.
- The four basic steps in the defense planning process involve:
 - an assessment of a country's geopolitical and geostrategic setting;
 - assessments of current and future military capabilities of regional states;
 - development of "credible contingencies" derived from these assessments; and,
 - appreciation of financial guidance to be available to defense over a 5-year period.

- A country's national security net assessment is therefore produced which establishes tasks and requirements for a defense force.
- The force development process poses to a defense force the following questions, which must be addressed in a joint fashion:
 - "Operational Concepts" reveal:
 - *What has to be done?*
 - *Where does it have to be done?*
 - *When and how many times does it has to be done?*
 - *How long will the task have to be done?*
 - "Defence Force Capability Options Papers" ask:
 - *Can the identified tasking be done now?*
 - *How much is enough?*
 - *What are the costs and risks?*
 - *What are the preferred generic options?*

"Specific Capability Proposals, including Major Capability Submissions" address:

 - *What are specific solutions and how many and at what cost?*
 - *How are resources matched with the force?*
 - *When are these new capabilities acquired?*
- Lessons learned from the Australian experience with developing this methodology reveal the following requirements:
 - The overwhelming need for the government clearly to define defense policy, strategy, and strategic guidance;
 - Adequate organizational structures, to include the shifting of force development responsibilities away

from the individual services to the central joint staff, headed by a senior general officer, with close civil-military interface; and,

- The need to reconcile funding current tasks to achieving operational readiness with long-range planning for modernization through the implementation of long-term funding plans.
- While perhaps not all of the Australian experience is relevant to all countries, it provides a successful model of a capabilities-based defense planning and force development model, which emphasizes the maximum use of jointness capabilities.

THREAT-AMBIGUOUS DEFENSE PLANNING: THE AUSTRALIAN EXPERIENCE

Prior to the end of the cold war, most militaries of the Western Alliance planned their force structures primarily on the basis of an identifiable and quantifiable threat. The force planning process, for most participants, was predictable and comfortable. However, since the end of the cold war, the lack of such threats has resulted in a scramble to create new approaches to developing and *justifying* force structures by most members of NATO. This issue of creating well-reasoned force development plans for political authorities is not an inconsequential matter, particularly as many NATO countries have rushed to effect substantial defense savings.¹ Many defense and Alliance officials now face the difficult problem of translating the implications of a threat-ambiguous strategic environment into defense planning and force development methodologies which are applicable to modern military structures, and which are convincing to cost conscious politicians.²

While not widely understood in NATO, Australia has not designed its force structure on the basis of an identifiable and quantifiable threat since the late 1960s.³ After many false starts, by the end of the 1980s, the Australian Department of Defence, including the Headquarters Australian Defence Force (HQADF), had developed principles and processes to guide force development which reflect government strategy and guidance to defend that country, while making "threats" less weighty. In their place, "credible contingencies" that are based on capabilities rather than on existing threat, as defined and described below, are employed. The result of these efforts has been to create a unique methodology which makes the development of the Australian Defence Force (ADF) more relevant to Australia's enduring strategic circumstances. At the same time, the ADF has become more responsive to

government guidance and less influenced by parochial interests and problematical threat scenarios. Thus, the relevance of assessing the Australian experience is that it establishes guidelines against which the ADF could conceivably operate in a non-threat specific environment, while making adequate provision for other important factors, such as financial limitations.

Notwithstanding the unique characteristics of Australia's geostrategic situation, the requirement of Australian defense planners to come to terms with a threat-ambiguous environment is broadly similar to the imperative now faced by many Western countries in the post-cold war era. The purpose of this report is to describe the Australian defense planning process and its force development methodology. The essay concludes with an analysis of the lessons to be learned from Australia in implementing such a system. The 20-year experience of the Australian Department of Defence and the ADF planners warrants careful examination. While all aspects of the process probably are not germane elsewhere, some are applicable. At the least, Western planners may avoid mistakes which have been made by their Australian counterparts. A summary of Australia's planning performance suggests that the value of its methodology may actually promise significantly more positive benefits. Australian defense expenditures, as a percentage of Gross Domestic Product (GDP), have remained essentially constant since the 1970s and are currently about U.S. \$10 billion per annum. However, since that time (without increasing the defense-to-GDP ratio), the ADF has become an increasingly joint force, capable of executing additional national tasks. At the same time, it has retained an ability to participate in allied operations, without employing a threat-based planning process. While perhaps not perfect, aspects of this system should warrant serious consideration by others.

The Defense Planning Process. (See Figure 1.)

A sound defense planning and force development system can only be successfully implemented if there is a stated and clear government policy to guide planners. Currently,

Defence Policy, Planning, and Programming System

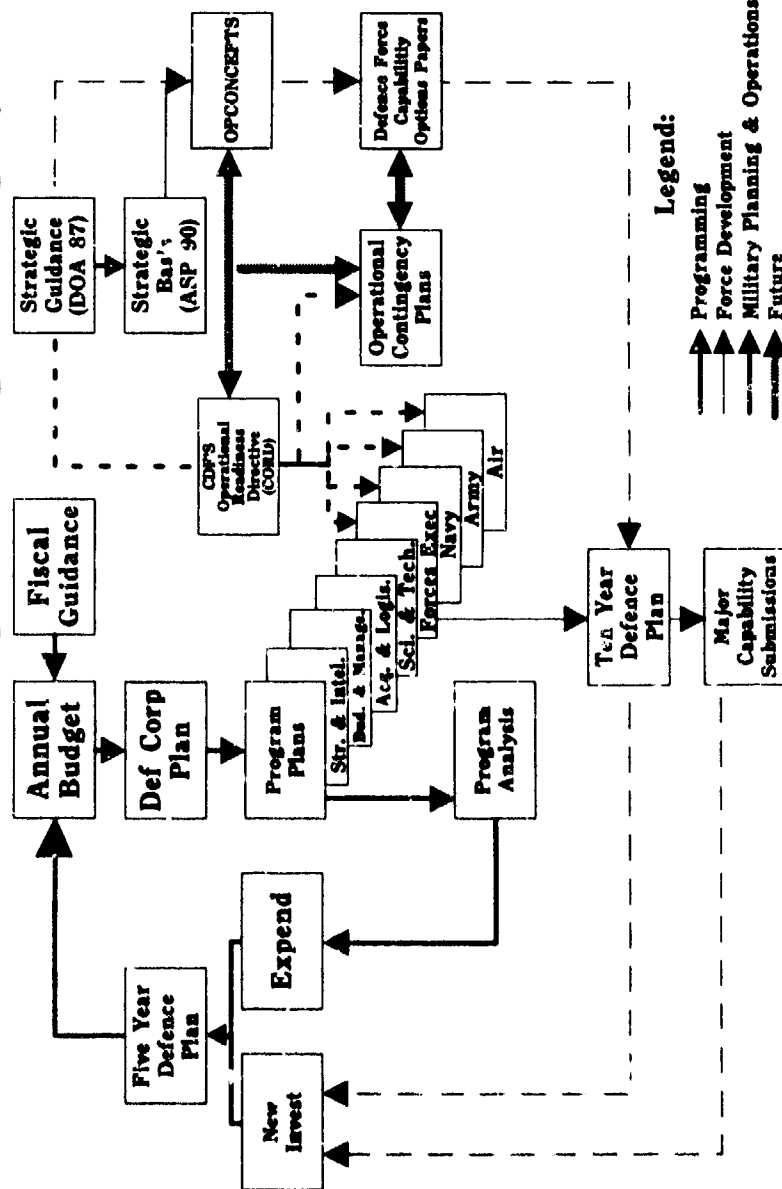


Figure 1.

Australia's defense planning is based upon the government's 1987 White Paper⁴ and the government-endorsed document, *Australia's Strategic Planning in the 1990s*.⁵ This defense policy is one of "self-reliance" (to defend Australia itself and its direct interests against credible threats within its area of military interest, now and in the future, with its own military forces).⁶ This policy is based upon three principles: 1) the ability to defend Australia with its own military forces, 2) the promotion of regional security and stability through effective cooperation and partnership with the region, and 3) strong alliances and the promotion of global security and stability. Note, however, that Australian defense policy states emphatically that the ADF is structured only on the basis of the first principle. To achieve these policy objectives, Australia's stated strategy ("defence in depth")

...give[s] priority to meeting credible levels of threat in Australia's area of direct military interest. An adversary would be faced with a comprehensive array of military capabilities, having both defensive and offensive components....Defence in depth gives priority to the ability of the ADF to mount operations capable of defeating enemy forces in our area of direct military interest.⁷

From this essential policy direction, four major planning steps are followed in the defense policy process.⁸ These steps will be described in a generic sense. Some aspects of planning, however, notably reflect Australia's singular geostrategic conditions, and, therefore, will only be briefly explained.

First, defense planners need to recognize the fundamentals of a country's geopolitical and geostrategic setting. While seemingly obvious, unique geographic characteristics, e.g., proximity to other countries, population centers, infrastructure, etc., need to be carefully considered. For instance, in the particular case of Australia, defense planners are confronted with defending an island continent, distant from other countries, with a vast and climatically inhospitable northern area with limited population and infrastructure.⁹

Second, it is necessary to develop an appreciation of the military capabilities, those in service and those likely to be procured in the future, possessed by regional states. This is

not a threat assessment, but rather is a survey of regional defense capabilities, current and anticipated. As such, these assessments are based simply on regional capabilities and do not involve any consideration of, or judgments on, the motives or intent of regional countries. An appreciation of a country's geographic setting and the military capabilities of regional states produces warning time and defense preparation requirements.¹⁰

Third, from combining the findings from the first two steps, a series of "credible contingencies" and national defense requirements are produced.¹¹ A credible contingency, in effect, is that level of contingency that is possible given Australia's geostrategic circumstances and current and foreseeable regional military capabilities, without consideration to motive or intent. Essential elements of these analyses are the capabilities possessed by regional states, doctrine, training, and sustainability. These analyses also include an appreciation of the level of conflict one could reasonably expect to confront (i.e., low, low-escalated, medium, etc.)¹²

These contingencies are not employed as formal threat-based contingency planning, but rather are developed to produce a baseline against which a country's defense capabilities can be measured in the immediate term. Credible contingencies have a direct influence on developing the ADF's capabilities to meet those levels of conflict that could arise in the near term, and the defense expansion base (i.e., reserve forces and defense industrial expansion capabilities) for conflicts that would take longer to develop.¹³

Fourth, and finally, clear and realistic financial guidance from the government of resources likely to be available to defense over a 5-year period is required. A key purpose of the defense planning process is to provide force development priorities, as opposed to championing "worthy causes." Hence, an estimate of financial resources available for the near future is essential. As is the case with most other Western countries, a lack of consistently reliable financial guidance was a problem in the Australian force development process, particularly in the late 1980s. This issue will be dealt with below.

In order to describe how this planning methodology is translated into reality in the case of Australia, this process has produced the following conclusions:

- Australia possesses an air-sea gap that is a natural and formidable barrier.
- Australia's regional security assessment is favorable as there exists no identifiable country with the intent or ability to threaten fundamental Australian interests, let alone national security (i.e., to launch and sustain a lodgement on Australia).
- Certain countries do, however, possess certain capabilities which could be employed against Australia, and the acquisition of more threatening weapon systems could be countered by increasing the ADF's capabilities.
- Nevertheless, in the short term and without expansion, such capabilities could only be used in low-level or escalated-low level conflict.
- As a consequence, Australia will defend itself through a strategy of defense in depth.

These conclusions of Australia's geostrategic environment produce the equivalent of a net assessment and establish requirements for the ADF standing force structure and defense base. For defense policy, the above assessment has the following implications:

- Given Australia's threat-ambiguous environment, sophisticated intelligence gathering and assessment capabilities are crucial to providing sufficient warning time to enable an appropriate political response to be made.
- Inhibiting incursions and monitoring Australian sovereign territory and seas require sophisticated air, maritime, and ground surveillance and reconnaissance capabilities, suitable for peacetime and wartime employment.

- Priority needs to be directed to meeting low and escalated-low level of conflict.¹⁴

What the above defense policy establishes, therefore, is a practice by which defense officials can approach the definition of missions without accentuating implausible threat scenarios. This is not always an easy objective to fulfill since it requires clear government policy and consensus within the defense community in key areas, i.e., strategic guidance, credible contingencies, and priorities for ADF capabilities. In consequence, the above procedures have provided Australian defense planning with stable direction to develop force structure, which, in principle, structures the ADF for the defense of Australia and in a top-down manner. It should be stressed that in the case of Australia, the sole determinant for structuring the ADF is the defense of Australia. The ADF is capable of meeting other missions (e.g., civil missions and alliance/global tasks), but these activities, in themselves, are not force structure determinants.¹⁵

Force Development Methodology.

The current force development process employed by the Department of Defence and HQADF is divided into three distinct stages.¹⁶ However, the process itself needs to be seen as a continuum, as the distinctions drawn between the stages are somewhat arbitrary. The three stages are: Stage 1, "Operational Concepts"; Stage 2: "Defence Force Capability Options Papers"; and, Stage 3: "Specific Capability Proposals, including Major Capability Submissions." Omitted from this analysis, for the sake of brevity, is reference to the numerous joint-service and civilian-military committees, which assess and adjudicate conflicting requirements and establish priorities throughout the development process.

Stage 1: Development of Operational Concepts. Derived directly from the defense planning process, the force development process first must identify the tasks the defense force is likely to be required to perform. The factors employed in identifying tasks are:

- relevant key features of a country's geostrategic situation, such as geophysical aspects and other political, diplomatic, and legal considerations, to include technological developments;
- current and projected regional military capabilities, and thus their nature and level of potential threat; and,
- their potential employment by an intelligent adversary.

From this analysis, an Operational Concept will consist of a list of derived tasks, which include:

- the specification, to the greatest possible detail, of task parameters which include (but are not limited to) rates of effort, location and duration/sustainability; and,
- wherever possible, initial judgments of task priorities.

In short, Operational Concepts specify the tasks which are likely to be required of the defense force. It is essential that these tasks are identified correctly and comprehensively by the development process, because they will form the subsequent basis for force development. Once articulated in Operational Concepts, tasks reveal:

- *What has to be done?*
- *Where does it have to be done?*
- *When and how many times does it have to be done?*
- *How long will the task have to be done?*

At this particular stage, one must stress, Operational Concepts do not specify *how* missions are to be accomplished. Currently, Operational Concepts are written (albeit not all are as yet endorsed) for each of the nine ADF roles as listed in *Australia's Strategic Planning in the 1990s*. They are developed to ensure a joint focus as well as the full and complementary capabilities of the ADF:

- intelligence collection and evaluation;
- surveillance in our maritime areas of interest;

- maritime patrol and response;
- air defence within our maritime areas and northern approaches;
- protection of shipping, offshore territories and resources;
- protection of important civil and military assets and infrastructure;
- detection of and defeating incursions onto Australian territory;
- strategic strike; and,
- contributing to the national response to requests from South Pacific nations for security assistance, including incidents affecting the safety of Australian nationals.¹⁷

An update of these Operational Concepts over time is envisaged, as factors change. Moreover, once all nine of the Operational Concepts have been endorsed, one master Operational Concept will be compiled.

Stage 2: Defence Force Capability Options Papers. These papers examine the extent to which current and approved ADF capabilities are able to undertake the tasks identified in endorsed Operational Concepts and, where tasks cannot be completed to a level judged to be sufficient or adequate, what broad options there are for overcoming these deficiencies. This is an important step in the development process because it forces the system to examine, in a joint manner, what can be accomplished with current capabilities; and failing that, which new capabilities are truly required.

The development of these papers involves the following steps:¹⁸

- Ascertain existing capabilities and assess whether they are relevant to the task in question. This analysis must estimate the performance likely to be achieved from using all existing capabilities. This step is

important, since it will provide the baseline against which the cost of adjustment options will be measured.

- Make initial judgements about what level of performance is acceptable and assess the consequences of not being able to execute tasks to that acceptable performance level, i.e., does a deficiency need to be overcome? This analysis must also consider the likely effects of not being able to undertake the tasks completely.
- Explain how a defense force could reduce or limit the deficiency without major financial expenditure, i.e., cost-effective adjustments such as changes in doctrine, training, or C².
- If a defense force cannot fulfill a task, this stage will explain how said force could acquire a higher level of proficiency by improving its various components, e.g., manpower, equipment, training, organization, etc.
- Estimate the expected level of improvement and assess resource implications in terms of costs of any such enhancement option and possible consequences of not performing the tasks to the level judged acceptable.
- Finally, establish force development priorities, based upon, 1) preceding analyses, and 2) the best return for expended resources.

While perhaps lengthy and complicated, this process can be summed up briefly in the following manner:

- *Can the identified tasking be done now?* This is not only a question of what is present in the current capabilities inventory, but also how well this can be done.
- *How much is enough?* If a surplus of capability exists, a decision is needed whether to reduce structure or shift excess capabilities elsewhere (e.g., reserve components). If, existing capabilities are inadequate,

identify where discernible shortfall exists and what to do about it.

- *What are the costs and risks?*
- *What are the preferred generic options?*

Stage 3: Specific Capability Proposals, including Major Capability Submissions. Following approval by a senior committee on generic options, the final step in the force development process is to determine specific solutions, and match resources with force structure requirements. The questions involved at this stage concern themselves with cost, the type and numbers of specific equipment required, and timing of procurement. Once these proposals/submissions are endorsed by senior executive committees, they can be incorporated into the funding or programming process.

Imperfections in Methodology. There are a number of problems with this force development methodology as Australian defense officials readily concede. Most importantly, the *current iteration* in the planning process is a protracted one and has yet to be fully executed as described above. In essence, the centrality of endorsed Operational Concepts in providing overall direction to the force development process is still relatively new and requires full implementation. Consequently, recently developed Operational Concepts are still in the process of being endorsed and executed in the planning system. Moreover, the initial development and endorsement of Operational Concepts has proven to be a lengthy process. Seven have been endorsed as of June 1993.

In terms of methodological problems associated with Operational Concepts, the following difficulties and issues have been identified for further refinement:

- the tendency to exaggerate regional capabilities and the likely level of conflict;
- the paucity of mid-level ranking officers with the necessary skills to develop these papers, particularly stressing a nontraditional approach;

- the planning process has not yet incorporated how command and control arrangements are handled as they affect the sensitive issue of joint command concepts over traditional single service ones;
- the need to create linkage among the Chief of Defence Force's Operational Readiness Directive, Operational Concepts and Operational Contingency Plans;
- the need to ensure adequate logistic support for the "capabilities" established to accomplish tasks;¹⁹
- the miscalculation of the complexity and difficulties of handling low level conflict.

As regards Defence Force Capability Options Papers, the following difficulties are now recognized:

- tasks are common to more than one role;
- tasks' execution may be joint service;
- there is, as yet, no direct linkage with Operational Contingency Plans;
- developing appropriate criteria for the capability-risk-cost trade-off (i.e., acceptable performance);
- producing objective capability-to-task analysis;
- the multi-role nature of many of the capabilities complicates the capability-to-task analysis.

Learning from Australian Experience.

One might conclude upon reading the above defense policy, planning and force development processes that both these systems are intuitive. Such a superficial judgement ignores that this process is the creation of a careful attempt to derive force structure by logical, quantitative, and verifiable means. In addition, it attempts to limit the extent to which simple judgements or preferences are involved. Nor have these

processes been easily developed. It took a rather sophisticated political and defense community 20 years to reach the current stage of its development. As described, the planning system is not without its shortcomings and Australian defense officials are candid to acknowledge where problem areas remain. Key to this discussion are problems in the institutional setting which have impeded the methodology's implementation and operation, and how they have been solved. These vexatious problems have been: 1) until the late 1980s, the lack of policy, strategy, and strategic guidance, 2) inadequate organizational structures, and 3) the need to reconcile funding of current tasks to achieve and enhance operational readiness with long-range planning requirements to ensure modernization and future advanced capabilities.

Lack of Guidance. As surprising as it may seem, Australia's official strategic thinking evolved slowly from the early 1970s onward.²⁰ Between the publication of the 1972 defense white paper and its 1987 counterpart, Australian defense planners had incomplete guidance at best from political authorities.²¹ It took Dr. Paul Dibb, as a consultant to the Minister for Defence, in his seminal review of the ADF's capabilities,²² to move the government to articulate and sanction an official strategy. The 1987 defense white paper provided clear guidance and the government comprehensively stated its national security aspirations and announced its strategy of "defense in depth." The white paper had the effect of limiting force structure planning clearly to the defense of Australia.²³

An example of how this lack of strategic guidance can adversely affect planning is found in institutional disagreements over for which level of conflict the ADF should be structured. For instance, prior to the release of the 1987 white paper, the department's Force Development and Analysis Division argued that the ADF should be structured for low-level contingencies. The services, on the other hand, stressed the need to operate at the mid- to high-level of the conflict spectrum. Obviously, agreement upon which level of conflict is relevant to the Australian security environment is crucial to acquiring appropriate capabilities to equip the force.

and was only resolved following the publication of the 1987 defense white paper.²⁴

Finally, in 1989, a strategic basis review was completed, *Australia's Strategic Planning in the 1990s*. This document examined the global and regional changes affecting Australia's defense and identified the principal roles for the defense of Australia and to meet current and foreseeable tasks, upon which Operational Concepts were subsequently based.²⁵ While the existence of a stated strategy ("defence in depth") as established in the 1987 defense white paper is indispensable, the lack of ADF role guidance in the ensuing 3 years retarded the implementation of the force development process. Initial efforts to write Operational Concepts floundered because they tended to be single-service oriented. Subsequent to issuing *Australia's Strategic Planning in the 1990s*, the nine principal defense tasks for the ADF were adopted in an attempt to develop jointly-conceived Operational Concepts. During this interim period, without sanctioned strategic guidance, the services were forced to use levels of conflict as guidance.²⁶ In essence, *Australia's Strategic Planning in the 1990s* has provided requisite departmental direction to be employed in the initial phases of the force development process.

Thus, one can see that it took a considerable amount of time before the Australian government was able to institute its novel defense planning and force development process. A key lesson from the Australian practice is that a top-down approach was required to overcome institutional opposition (in particular, the individual services) to implement this planning process. The Australian experience demonstrates that without key government-endorsed guidance (i.e., policy, strategy and financial), a top-down approach to defense planning is very difficult to execute.

Inadequate Organizational Structures. Prior to the reorganization of HQADF in 1990, the Australian Defense organization was not well-structured to implement a top-down defense planning system. Prior to the latter 1980s, the armed services were more or less modeled upon their American or British counterparts in structure.²⁷ Like most Western defense

forces, little thought or effort was directed to developing joint capabilities. A predilection of governments, and consequently planners, was to direct resources to individual service combat capabilities and formations, as opposed to joint capabilities and support formations. Hence, the services were eminently suited for combined operations with allied counterparts, when forward deployed within larger allied formations, as opposed to conducting joint operations, even within Australia. This force structure, while perhaps appropriate to the period of "Forward Defence" in the 1950s and 1960s (when Australian forces were deployed to Southeast Asia), was hopelessly ill-suited to a defense policy based upon the premise of defending Australia.²⁸

Organizationally, the individual services retained considerable independence from the civilian side of the Department of Defence, to include force development responsibilities.²⁹ Indeed, until the consolidation of the civilian sections of the three services into the Department of Defence in 1973, each service had its own department *and* minister. While the 1973 defense reorganization³⁰ has been referred to as the act that civilianized the Australian defense establishment,³¹ it left many problems unsolved. Most significantly was that it left the services' force development divisions intact. There ensued a lack of advance coordination between the civilian and military defense planning organizations, and a series of joint planning documents went largely ignored.³² In effect, the services tended to propose block replacement of aging equipment, without adequate consideration to their relevance to defending Australia. Indeed, Dobb observed in 1986

Force structure planning deficiencies have been compounded by the lack of a comprehensive military strategy and operational concepts for the defence of Australia. In the absence of more definitive guidance, each Service has developed its own planning.... These documents are not co-ordinated with one another, nor do they necessarily follow closely current strategic guidance. Some of their force structure objectives are unrealistic.³³

The organizational problem was only remedied in 1990 following an important review which restructured the HQADF

Australian Defence Higher Organization

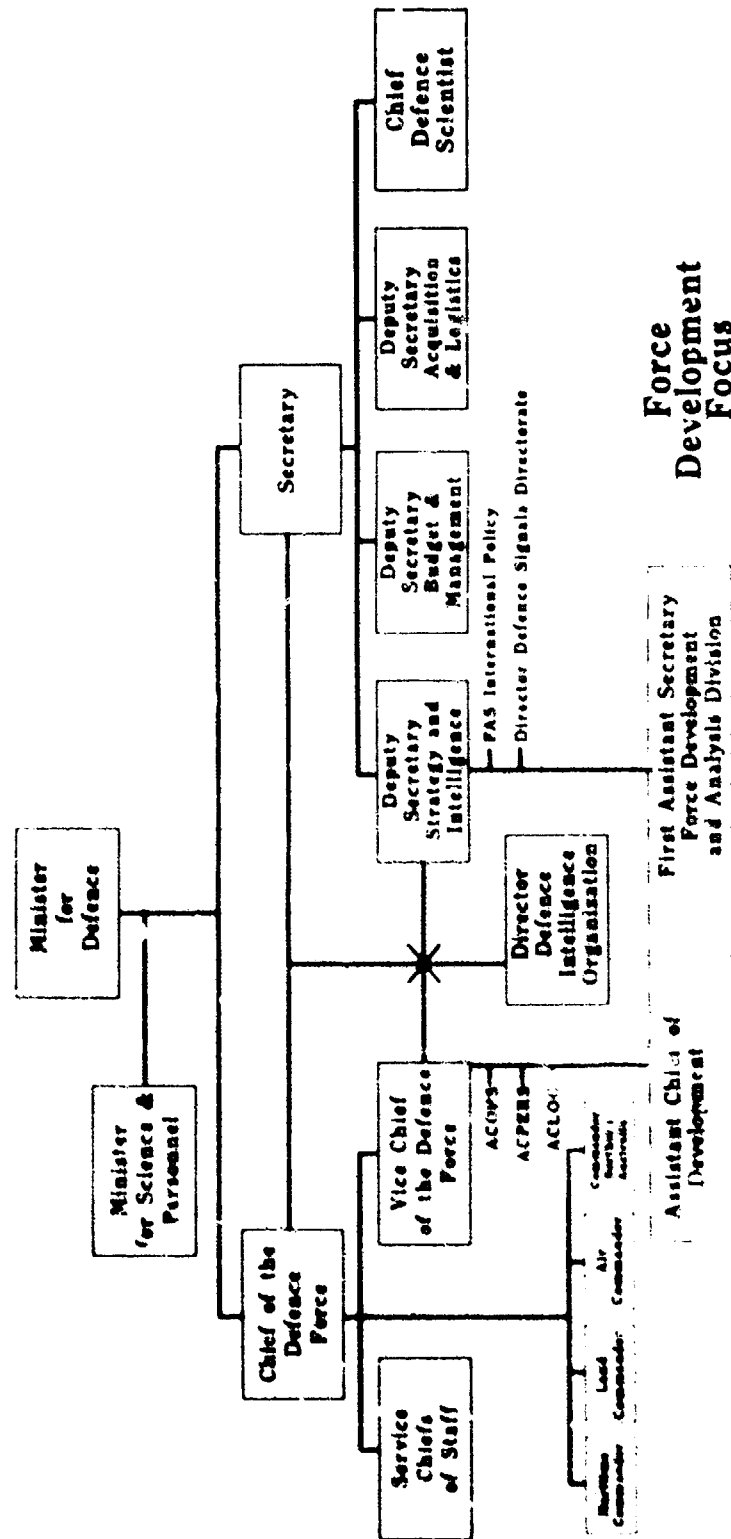


Figure 2.

(see Figure 2). This headquarters, which had been established in 1984 to serve as a joint staff, assumed greater authority through the creation of a Vice Chief of the Defence Force with responsibilities of coordinating force development and long-term planning activities, and an Assistant Chief of the Defence Force (Development), with resources drawn from the individual services.³⁴ Hence, when viewed in conjunction with the publication of key policy, planning and strategy documents, the centralization of military force development responsibilities has, together with civilian expertise in the Force Development Division, established processes which can implement a top-down approach to defense planning force development.

Squaring Current Tasks with Long-Range Planning. A growing problem in Australia, and one that is becoming more acute in NATO countries, is the challenge of funding current operations, while leaving adequate financial resources to acquire long-term capabilities acquisition. The need for farsighted defense investment is of particular import to Australia, which predicates its defense planning upon the assumption of warning time of a developing military threat, in order to activate the defense expansion base. The end of the cold war, the introduction of an extensive capital acquisition program in the mid-1980s, and a possible reduction in the "Defence Vote" place the Department of Defence in a potentially difficult position in trying to meet current tasks, while attempting to fund long-term capital acquisition projects.³⁵

As one could imagine, there is no simple answer to the conundrum of funding current and future activities with effectively diminishing resources. A review was conducted in 1990 and 1991 to reexamine force development plans and priorities in light of lower funding than anticipated in the 1987 white paper. One of the recommendations of this report, *The Force Structure Review 1991*, was that the Department of Defence adopt a 10-year planning system to complement the existing Five Year Defence Program.³⁶ This program's purpose is to establish needed longer term priorities, in order to manage resources better. The Ten Year Development Plan has subsequently been instituted in an attempt to deal with this planning difficulty. While its effectiveness has yet to be fully

ascertained, according to Australian defense officials one of the early problems of this plan is that it has tended to endorse block replacement of equipment, which is antithetical to the top-down planning process.³⁷ However, once Defence Force Capability Options Papers are sufficiently developed to determine the Ten Year Development Plan, this problem should lessen. While it is not yet clear whether the pull between current tasks and long-term structuring of the ADF has been overcome, it would appear that long-term planning programs are useful, if for no other reason than to assist in the establishment of priorities for envisaged capabilities.

Conclusions.

This essay has described and analyzed how, notwithstanding difficulties and challenges, a defense force can be structured on a threat-ambiguous planning basis, which reflects government guidance and macro-regional security considerations. The Australian experience has shown that given proper government guidance on both policy/strategy and funding, a defense force can be developed to meet credible levels of conflict with in-being forces. While this has not been an easily attained goal, the Australian defense establishment is well along in its development.

Leaving aside the stages and details of this planning process the Australian experience reveals that a number of institutional and policy conditions are necessary. Government guidance is essential, as defined as constituting policy, strategy, strategic guidance, and financial direction. An appropriate institutional structure is also necessary for these directives to be implemented. Thus, the creation of a joint headquarters with adequate staffing, preferably headed by a senior military officer, to work with the civilian defense force development office, is also essential. The Australian experience demonstrates that without these structures, the planning process between the individual services and the development office was very combative, and as a result, often ineffectual. One of the benefits of such a system, as well, is that it tends to encourage and facilitate the joint development of capabilities to meet tasks.

Obviously, the Australian experience is not without its own problems and shortcomings, the difficulty of combining requirements of current tasks with long-term planning being one example. However, this should not condemn the process in itself. At a time when other Western Alliance members are searching for convincing means to justify existing, let alone new, force structures, proposals based upon methodologies which emphasize threat-ambiguous, or capabilities-based, rationales stand greater likelihood of success than previous arguments. To be sure, every aspect of the Australian methodology may not apply to all states. In the particular case of the United States, with its global security commitments and its highly-integrated Joint Strategic Planning System, many aspects of the Australian system may not be directly relevant. However, one could make a strong argument that the shifting of force development resources and responsibilities away from the individual services to the Joint Staff would produce a greater joint armed forces.

What may be valuable particularly to many European countries and perhaps even NATO itself are certain elements of the Australian system. For instance, in countries which have strictly adhered to threat-driven force development planning, adoption of the essence of the Australian methodology would add a degree of intellectual discipline to their planning processes. The Australian methodology requires careful and systematic consideration of what a defense force should be structured to do. In effect, it should imbue the defense planning process with a pro-active mentality in what has been, in many instances, a reactive process and one that has been vulnerable to financial challenge.

In sum, the Australian experience offers insights, successes that other countries can duplicate or mistakes that they can avoid replicating. Without an identifiable threat upon which to focus, defense planning in Western countries is progressively more difficult to sell to wary politicians. What responsible political leaders and civilian officials are increasingly demanding from military establishments are well-reasoned justifications for military capabilities. A non-threat dependent planning process, based upon a review

of the 20-year Australian experience, might be a reasonable place to start developing such processes.

Recommendations.

- At a time when the issue of "roles and missions" are being hotly debated in the U.S. defense community and Congress, elements of the Australian planning system, which is less guided by parochial bureaucratic interests and problematic threat scenarios, should warrant some emulation.
- The overall thrust and key elements of the Australian planning process are very similar to the U.S. planning system, as reformed by the 1986 Defense Reorganization Act. Where the U.S. system could benefit from the Australian experience is in:
 - A modified adaption of the "Defense Force Capability Options Papers." A stage needs to be introduced into the U.S. planning system that forces the system to ask itself, in a joint sense, what is needed and can we do it with what we have now?
 - The shifting of responsibilities for force development from the individual services to the Joint Staff, to ensure that a joint approach is imbued in the initial planning for acquisition, training and doctrine development.
- While addressed in this paper to apply to the United States, NATO and some of its member states, elements of the Australian planning system would be appropriate for replication by the newly democratic states in Eastern Europe, which are struggling to develop top-down planning processes which conform to democratic concepts of civil-military relations.

ENDNOTES

1. See, *The Wall Street Journal* (New York), January 28, 1993.

2. For one attempt to provide NATO defense officials with new planning principles and guidelines see, Ted Greenwood and Stuart Johnson, "NATO Force Planning Without the Soviet Threat," *Parameters*, Volume 22, No. 1, Spring 1992, pp. 27-37.

3. For instance, in a submission before the Joint Committee on Foreign Affairs, Defence and Trade, the Department of Defence claimed that the 1971 Strategic Basis paper acknowledged that Australia needed to pursue its own security interests through greater individual effort than had previously been the case. See, Australia, Parliament, Joint Committee on Foreign Affairs, Defence and Trade, *The Management of Australia's Defence*, Canberra: Australian Government Publishing Service (AGPS), 1987, pp. 22-23.

4. See, Department of Defense, *The Defence of Australia 1987*, Canberra: AGPS, 1987.

5. See, *Australia's Strategic Planning in the 1990s*, Canberra, Department of Defence, November 27, 1989. Note that at the time of this writing, new iterations of this document and the defense white paper are being produced.

6. See, *Defence of Australia 1987*, pp. 1-3; 74. Note that this policy does not mean that Australia plans to be self-sufficient in terms of defense manufacturing and supply of all war equipment and stocks. See, *ibid.*, pp. 75-77.

7 *Ibid.*, p. 31.

8. For background on Australia's general planning methodology see, Paul Dibb, *The Conceptual Basis of Australia's Defence Planning and Force Structure Development*, Canberra Paper on Strategy and Defence No. 88, Canberra: Strategic and Defence Studies Centre, Australian National University, 1992.

9. For background on planning considerations in the north of Australia see, J.O. Langtry and Desmond Ball, editors, *The Northern Territory in the Defence of Australia: Strategic and Operational Considerations*, Canberra Papers on Strategy and Defence No. 73, Canberra: Strategic and Defence Studies Centre, Australian National University, 1991.

10. See, Dibb., pp. 1-8.

11. For greater explanation of credible contingencies see, Dibb, pp. 9-15. Note that these would appear to be similar to Illustrative Planning Scenarios employed in the U.S. Defense Planning Guidance.

12. Levels of conflict, in Australian usage, are: low-level, escalated low-level, and more substantial conflict. These were defined by Paul Dibb in, *Review of Australia's Defence Capabilities*, Canberra: AGPS, March 1986, pp. 53-54. Escalated low-level conflict is defined by the government as "...the attacker supplementing or substituting unconventional tactics and forces with military units prepared to confront our forces direct." See, *The Defence of Australia 1987*, pp. 24-25.

13. See, *ibid.*, pp. 16-20.

14. See, *Australia's Strategic Planning in the 1990s*, pp. 21-26.

15. Note that this provision has been the case for some time. The problem, however, was in its implementation prior to the late 1980s. See, Australia, Parliament, Joint Committee on Foreign Affairs and Defence, *The Australian Defence Force: Its Structure and Capabilities*, Canberra: AGPS, 1984, p. 63.

16. For an excellent explanation of this process see, Frank Lewincamp, Director, Concepts and Capabilities, Force Development Branch, Department of Defence, "Strategic Guidance and Force Structure: The Force Development Process," FDA Presentation to Acquisition and Logistics Project Management Course, Canberra, July 21, 1992. The process is fully explained in, Australia, Department of Defence, *Defence Instructions (General)*, ADMIN 05-1, (*The Force Development Process*), December 23, 1991, p. 3. A summary is found in, Australia, Department of Defence, Concepts and Capabilities Section, Force Development Branch, "The Force Development Process: From Strategic Guidance to Specific Capability Proposals—A Summary," revised May 6, 1993.

17. *Australia's Strategic Planning in the 1990s*, pp. 28-29.

18. Note that these analyses may appear to be duplicative; however, this is how they are more or less explained in official documents. See, Department of Defence, Concepts and Capabilities Section, Force Development Branch, "The Force Development Process: From Strategic Guidance to Specific Capability Proposals: A Summary," revised May 6, 1993.

19. The lack of a methodological approach to the problem of supporting logistically the ADF created by this force development process has been surprising. According to Air Marshall J. W. Newham, RAAF, Chief of Air Staff from 1985 to 1987, "In the Force Structure Committee we were trying to get a few extra Harpoon missiles to meet Navy's ships' outfit requirements, plus a few in reserve. The Assistant Secretary FDA [Force Development and Analysis Division] opined that as we possessed 72 Harpoons that would be sufficient to knock out all of the ships of all of the neighbourhood navies, so we didn't need any more. He'd overlooked that

the 72 Harpoons were of little utility if locked away in ships' magazines deployed hither and thither around Australia. The weapons would not be available unless reserves were held and air launch kits were on hand." See, *Australia's Air Chiefs: The Proceedings of the 1992 RAAF History Conference*, Canberra, RAAF Air Power Studies Centre, October 14, 1992, p. 67.

20. Note that the Department of Defence, as early as 1959 in its Strategic Bases Paper argued that defense policy should be changed to "ensure the security of Australian territory in its sea and air approaches," while questioning contemporary policy that placed so much value on collective defense arrangements. Such pleas for new thinking did not receive official attention until the 1970s. See, Kim Beazley, MP, "Address by Minister for Defence to National Press Club," Canberra, June 12, 1986.

21. See, Australia, Department of Defence, *Australian Defence Review*, Canberra: AGPS, March 1972, pp. 6-10; 37-38; and, *idem*, *Australian Defence*, November 1976, Canberra: AGPS, 1976, pp. 10-14. Extracts of these important official documents can be found in, Dibb, *The Conceptual Basis of Australia's Defence Planning*, pp. 70-83.

22. See, Dibb, *Review of Australia's Capabilities*, pp. 49-52.

23. See, *The Defence of Australia 1987*, pp. 31-32.

24. This is well-documented and explained in Dibb, *Review of Australia's Defence Capabilities*, pp. 23-29.

25. See, *Australia's Strategic Planning in the 1990s*, pp. 41-46.

26. Briefing, Department of Defence, Russell Offices, Canberra, ACT, December 1992.

27. See, T.B. Millar, *Australia's Defence*, 2nd Edition, Carlton, VIC: Melbourne University Press, 1969, pp. 109-145.

28. As recognized in, *Australian Defence*, November 1976, pp. 10-11.

29. See, *The Management of Australia's Defence*, pp. 301-302.

30. Australia, Department of Defence, *Australian Defence*, Report on the Reorganization of the Defence Group of Departments, Presented to the Minister for Defence, Canberra, November 1973.

31. See, Robert O'Neill, "Defence Policy" in, *Australia in World Affairs, 1971-1975*, ed. by W.J. Hudson, Sydney: George Allen and Unwin, 1980, pp. 24-25.

32. See, Wesley H. Schmidt, Jr., *Planning Australia's Defence Forces*, Newport, RI, Department of National Security Decision Making, U.S. Naval War College, March 14, 1990, pp. 195-196.

33. Dibb, *Review of Australia's Defence Capabilities*, p. 27.

34. See, Australia, Department of Defence, Management Improvement and Manpower Policy Division, *Report on the Implementation of The Structural Review of Higher ADF Staff Arrangements*, Canberra, May 1, 1990, pp. 19-20.

35. For background on this issue see, Graeme Cheeseman, "Over-reach in Australia's Regional Military Policy" in, *The New Australian Militarism: Undermining Our Future Security*, ed. by Graeme Cheeseman and St John Kettle, Leichhardt, NSW: Pluto Press Australia, LTD, 1990, pp. 73-92; and, Thomas-Durell Young, "Problems in Australia's 'Defence Revolution'," *Contemporary Southeast Asia*, Volume 11, No. 3, December 1989, pp. 237-256.

36. See, Australia, Department of Defence, *Force Structure Review 1991*, Canberra: AGPS, May 1991.

37. Briefing, Department of Defence, Russell Offices, Canberra, ACT, December 1992.

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