

Professor the Hon Stephen Smith and Air Chief Marshal Sir Angus Houston AK, AFC (Ret'd) Independent Leads of the <u>Defence Strategic</u> Review

Dear Professor Smith and Sir Angus,

Defence Strategic Review

Thank you for the opportunity to make a submission to the Defence Strategic Review.

While military capability is an essential tool of statecraft, it is insufficient alone. Defence, diplomacy and development are all important elements of foreign policy, enabling Australia to use a range of tools to shape its international environment. There is scope for Defence to work with diplomacy and development on a broad range of issues, thus contributing to an integrated Australian statecraft that is greater than the sum of its parts.

Key points of the attached submission are:

- Defence planning should link with other arms of statecraft, ideally as part of an integrated framework
- Defence should advocate for resourcing and respecting all the tools of statecraft
- Defence should take a wide view of international challenges

Just as the Review stems from an understanding that that changes in Australia's strategic environment are accelerating more rapidly than predicted, the Asia-Pacific Development, Diplomacy & Defence Dialogue (AP4D) derives from the insight that as these strategic circumstances deteriorate, Australia needs to respect and resource all its tools of statecraft.

AP4D creates a new dimension in Australia's international policymaking by bringing together and combining the skills and experiences of the development, diplomacy and defence communities to achieve new insights, develop new ideas and promote strategic collaboration around shared interests. It is a platform for ideas that encourage more integrated statecraft that can maximise Australia's ability to influence regional and global developments.

This submission draws on input from AP4D's Advisory Group and almost 250 development, diplomacy and defence experts consulted for AP4D's options papers on a shared future with Southeast Asia and the Pacific. Views expressed cannot be attributed to any individuals or organisations involved in the process.

Yours sincerely,

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Asia-Pacific Development, Diplomacy & Defence Dialogue Submission to the Defence Strategic Review

Defence planning should link with other arms of statecraft, ideally as part of an integrated framework

Key political and defence figures agree that Australia must use all of the tools of statecraft at its disposal to shape the strategic environment:

"With the boundaries between conflict, coercion and competition becoming increasingly blurred, there is a need today for a greater integration of power. The notion of integrated campaigning involves military power being brought together with other elements of national power – economic, diplomatic, trade, financial, industrial, scientific and informational – and combined with the national and military power of allies and partners. This aggregated and integrated power, appropriately focused and persistent in its application, will lend weight and effectiveness against a continuum of twenty-first century challenges we now face."

- Chief of the Defence Force General Angus Campbell (<u>speech to the Royal Australian</u> <u>Navy Sea Power Conference</u>, May 2022).

"Maximising our influence means we need to use all the tools we have. Military capability matters... But we need more than that. **We need to deploy all aspects of state power** – strategic, diplomatic, social, economic... Foreign policy must work with other elements of state power to succeed – in this **the whole is greater than the sum of the parts.** Chief of the Defence Force, General Angus Campbell, has observed that the ADF, as an instrument of hard power, is best at shaping our environment and deterring behaviour that is counter to our interests: 'when it partners with all of the other elements of national power and in particular with our diplomatic service'."

 Minister for Foreign Affairs Senator Penny Wong (<u>speech to the ANU National</u> <u>Security College</u>, November 2021).

A comprehensive, integrated planning framework will provide Australia with a strategic grand narrative and a unified approach to international relations that ensures that overarching policies, big programs and key agencies are pulling broadly in the same directions. Absent a coordinated, whole-of-government approach there is a danger that each arm of statecraft remains inward-looking: at best putting a ceiling on Australia's ability to influence; at worst enabling siloed dynamics whereby departments and agencies work at cross purposes.

In the United Kingdom, the government now produces an <u>Integrated Review of Security, Defence</u>, <u>Development and Foreign Policy</u> rather than separate white papers. Noting the grey-zone and hybrid nature of contemporary security challenges, the Integrated Review outlines why "responding to state threats can no longer be viewed as a narrow 'national security' or 'defence' agenda. We must bring together the elements of our work across this Strategic Framework at home and overseas, and all the instruments available to government, in an integrated response."

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While Australia currently has separate planning process for defence, diplomacy and development, any measures to weave these together would be welcome. Currently the Department of Foreign Affairs and Trade (DFAT) is working on a <u>New International Development Policy</u>, the stated aim of which is to set the long-term direction of Australia's international development cooperation: "a vital element of our support for a peaceful, stable, and prosperous Indo-Pacific."

The Defence Strategic Review should communicate with the New International Development Policy process to inform each other and integrate perspectives. Defence and development have a clear shared interest in regional stability and security goals, and concurrency offers an opportunity for the two processes to inform one another through cross-pollination. As well as contributing to strategically coherent planning in this instance, such integration also offers an opportunity to begin translating the growing appetite for more integrated policymaking into institutionalised practice, thus benefitting not only Defence planning but Australia's overall foreign policy apparatus.

Defence should advocate for resourcing and respecting all the tools of statecraft

Two key security partners of Australia, the US and the UK, offer experience with a whole-of-government approach to statecraft that can impart useful lessons and open up new avenues for cooperation and coordination. For example, the United States has focused on reconceptualising diplomacy and development as key assets that complement and work in concert with defence. The Biden Administration's 2022 National Security Strategy explicitly "encompasses all elements of national power — diplomacy, development cooperation, industrial strategy, economic statecraft, intelligence, and defense." The <u>US Global Fragility Act</u> prioritises the proactive over the reactive by drawing on the shaping power of diplomacy and development in order to preclude conflict and instability, rather than relying on defence to respond to conflict once it arises.

Defence should make a point of offering vocal support and recognition that the other arms of statecraft have significant roles to play. The 2020 Defence Strategic Update stated that "Grey-zone activities are being adopted and integrated into statecraft and are being applied in ways that challenge sovereignty and habits of cooperation." Integrated problems necessitate integrated solutions, with the update recognising that "Defence must be better prepared to respond to these activities, including by working more closely with other elements of Australia's national power."

There can sometimes be a tendency to place more and more burdens on the ADF—both because of its competence and because it enjoys a high level of public trust. We should be careful of this tendency and be clear on what Defence is optimised to achieve.

Defence should play a leadership role in advocating for development and diplomacy as important elements of foreign policy, recognising that it is in Defence's self-interest for Australia to use a range of tools to shape its international environment.



Defence should take a wide view of international challenges

• Human security

Australia's national security and international engagement strategy in the region should see investing in human security and state security as complementary and mutually reinforcing endeavours, not competing paradigms. Insecurity at the individual level undermines national stability, while fragility and conflict at the state level undermine security for individuals. Neither should be viewed as subservient to the other. Regional examples like Timor Leste, Myanmar and Mindanao in the Philippines highlight how poverty and political grievances that elicit a primarily military response can become trapped in a vicious cycle. Defence can play a role in championing human security by explaining these links and framing its work in terms of human security.

• Climate

Defence should integrate a climate perspective into its bilateral defence cooperation and defence diplomacy, raising awareness of how climate risks manifest. Through its engagement with ASEAN defence dialogues it can promote a preventive approach. It can contribute to regional resilience in the face of climate change. Defence attachés can build on existing relationships with counterparts on disaster access in a way that respects national autonomy. As a consumer of energy, Defence can contribute to the emergence of sectors such as green fuel, building renewables into its supply chains.

• Humanitarian response and disaster relief

Australia is already stretched in terms of humanitarian and disaster relief (HADR), including domestic response. Australia should work with international partners to build local disaster response capacity given that longer and larger disaster seasons are going to challenge the region. Australia has an integral role building capacity to respond to crises, both in tools and equipment but also systems, human capital and consumables like fuel. It can support civilian-led crisis response by delivering coordinated end-to-end sectoral capabilities to agencies that provide a first response to human security issues. Localisation will be an imperative.

• Civil-military cooperation

Defence can be a catalyst for civil-military cooperation by modelling positive behaviour and building civil society links with Southeast Asia. While Australia has sometimes been cautious about emphasising liberal values of democracy and human rights in its foreign policy, its strong civil-military collaboration and governance framework represents an avenue through which it can enhance and expand its engagement in Southeast Asia. Defence should work towards implementing a Regional Military/Civil Society Framework to better manage HADR across the region.

• Digital resilience

Cyber security and digital infrastructure is a domain of geopolitical competition. Malicious state or state-sponsored actors are active in cyberspace against countries around the world, and the Pacific is not immune. Raising the capabilities and defences directly benefits Australia as well as Pacific island countries. Australia has a role in coordinating cyber defence for the region, and Defence can play a part in that.



• Regional national security strategies

National security strategies are an example of how Australia can support the sovereign decisions of Pacific island countries to identify security threats, enable appropriate whole-of-government responses and allocate resources. Papua New Guinea, Samoa, Vanuatu and Solomon Islands have each completed national security strategies with funding and technical assistance from Australia. Successes from this process include demonstrated success in the detection, deterrence and disruption of transnational crime through the combined efforts of multi-agency information sharing networks and taskforces; prevention of security incidents; and improved responses by Pacific agencies to broader security threats. Defence has an interest in and a key role to play in advancing this agenda.

• Mediation and peacebuilding

Structural changes to Australian assistance and institutions could create more capacity for conflict resolution, mediation and peacebuilding. Defence can act as an advocate for other arms of statecraft to develop capacity on conflict and fragility, mediation and conflict resolution and for Australia to support mediation and peacebuilding initiatives within the region.