Two-Level Games and Australia’s Defence Procurement: The Case of Land-Based Anti-ship Missiles

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Abstract

As a country largely free of the corruption that bedevils the defence procurement of many of Australia’s Asian neighbours, it is generally assumed that Australia’s national security interests, together with value for money, are the paramount criteria for Australia’s defence procurement. This is an assumption, however, that deserves critical interrogation, particularly with respect to the influence that domestic politics can have on strategic decisions. This article investigates the Australian government’s 2016 decision to acquire land-based anti-ship missiles. To do so, it adapts Putnam’s two-level game to a defence policy context, enabling the incorporation of both realist and domestic political factors, including the influence of interest groups. I find a plausible case that the influence of the resources sector and constituents of Australia’s northwest, as well as the corporate interests of the Australian army in asserting a greater role in Australian defence strategy, may have been significant in the decision.

Key words: defence, Australia, procurement, missiles, army

1. Introduction

The role of domestic politics, in influencing procurement practices through the agency of interest groups, has been studied in the United States, a comparable Western liberal democracy. There, an iron triangle of military service, congressional committees and private sector contractors protect favoured projects (Jones & Marsh 2011). By comparison, Australian defence procurement is an understudied and under-theorised topic of academic inquiry. Where Australia’s contemporary defence policy is concerned, the focus of scholarship has been Australia’s alliance with the United States, and more broadly, Australia’s strategic positioning in transforming East Asia.

However, there is anecdotal evidence suggesting that party political incentives can shape policy in Australia’s defence procurement. For example, the Turnbull Coalition government’s insistence on building Australia’s next submarines in South Australia is believed by many to...
be related to four marginal Federal parliamentary seats in the state capital, Adelaide (‘Local build adds 30pc to submarine costs’, The Australian, 20 April 2016; ‘Future submarine won’t budge from Adelaide’, The Australian, 29 September 2017). It is widely held that the need to protect jobs in the Adelaide shipbuilding industry, after the closure of other manufacturing industries such as cars, explains why the government is prepared to spend the additional 30 per cent price premium that a local build incurs (Insight Economics, 2017, p. 18). The security of those jobs will almost certainly influence the voting choices of many South Australian citizens in federal elections.

This article uses Australia’s planned acquisition of land-based anti-ship missiles as a case study to theorise how domestic politics can act in concert with external factors to influence a significant arms procurement, estimated at costing between $AUD4 and 5 billion dollars over 10 years (Commonwealth of Australia, 2016b, p. 77). In the most recent Defence White Paper, the government justifies this acquisition policy in two ways. First, the missiles will strengthen Australia’s capacity to protect vital assets in the resource-rich northwest of Australia. Second, they will be used to support deployed forces (Commonwealth of Australia 2016a, p. 96). Unlike the future submarine procurement, this acquisition has not received significant media attention or scrutiny in the Australian parliament.

However, some analysis of the operational scenarios cited by the government finds the rationale as insufficient, describing the proposed uses of the missile as having ‘fallen victim to some wishful thinking’ (Cowan 2016). Australian Strategic Policy Institute analyst Christopher Cowan notes that the missiles would be most useful in high-intensity amphibious operations. The Australian Defence Force (ADF), as currently structured and trained however, is not well-positioned for such operations. Second, many of the offshore drilling platforms on Australia’s north-west shelf would probably be beyond the range of the missiles, while stationing the missile on the platforms themselves would present difficulties (Cowan 2016).

The article proposes that Robert Putnam’s two-level game concept, which demonstrates how governments seek to maximise the overlap between domestic and international policy interests in negotiating agreements, is a useful model for explaining this procurement (Putnam 1988). The Australian Government, it is argued, is securing an important federal electoral seat in north-western Australia, where the resources industry is a significant employer and source of revenue. It is also responding to the rise of Australia’s maritime strategy, an evolving defence plan which has strongly reflected the goals and influence of the Australian army, a powerful interest group and shaper of Australia’s defence strategy. Finally, the purchase is also explicable as a response to geopolitical shifts, in which the navy of rising power China, will in future have a greater presence in waters close to the Australian continent. To this extent, the article considers the extent to which the acquisition can be seen as part of an Asia Pacific-wide trend towards strengthening of sea denial capabilities.

After this introduction, the second section of this article examines how international relations theory, including realism and other approaches, can assist in understanding matters of defence planning. It considers the role of interest groups, introduces Putnam’s two-level game and develops a version suitable for defence procurement. The third section briefly explains the mechanics of defence procurement in Australia, highlighting the points at which government and bureaucratic agendas can influence decision-making. The fourth section considers the Australian domestic political factors applicable to the missile procurement.
by tracing the government’s engagement with interest groups in Australia’s northwest, including local citizenry and the largest employer in the area, the resource industry. The fifth section looks at how the army has increased its role in Australian defence strategy by promoting the idea of a maritime strategy, which incorporates the capacity to conduct amphibious operations. The sixth section addresses the emerging requirement for anti-access and area denial capabilities as China’s capacity to project force in Australia’s neighbourhood grows.

2. International Relations, Domestic Politics and Defence Procurement

As I will explain in the fifth part of this article, a realist perspective, looking at Australia as a unitary actor prosecuting its interest based on its place in the global hierarchy of material capabilities, can partly explain the missile procurement. Realism assumes that to protect themselves in a world of anarchy and danger, all states, regardless of their character, will balance either through building their own capabilities or by aligning with other states capable of providing for their security (Waltz 1986a, 1986b, p. 94). But contra Waltz, it is widely accepted in the International Relations literature today that domestic variables, including national identity, strategic culture and domestic political structure, frequently need to be considered in order to fully explain defence decision-making (Berger 1996; Glenn et al. 2004; Rose 1998). Moreover, explaining international phenomena through a synthesis of the various paradigms of international relations theory is now a widely accepted practice (Sil & Katzenstein 2010; Reus-Smit 2012; Snyder 2004).

In this article, I add the role of interest groups to realist factors. In Jack Snyder’s work on pre-World War II Germany and Japan, he invoked interest groups, cartels and coalitions to explain why these states pursued expansionist policies in defiance of the realist logic that they would provoke an opposing coalition of states resulting in their defeat. (Snyder 1991, p. 19) In line with Snyder’s view that coalitions in domestic politics can result in policies illogical from the point of view of national interest, some literature on US defence procurement has assessed the role of coalitions of interest groups. Kevin P. Marsh and Christopher M. Jones (2011, pp. 359–373), analysed why the US Marines’ V-22 Osprey program survived an era of defence austerity, while the US Army’s Crusader artillery program was cancelled. They found that pork barrelling in Congressional seats, with thousands of jobs in states manufacturing the Osprey, as well as the popularity of the Marines amongst influential Congressmen, to be critical factors underpinning the differing results. The potential for the legislature to vigorously contest a procurement project is much less in Australia in comparison with the United States. But, while the political conditions of the United States differ significantly to those of Australia, this does not mean that interest groups do not exist or that domestic politics is unimportant.

What I wish to argue here is not so much that Australian interest groups have driven an illogical choice so much as that a force structure choice has been made by finding congruence between two distinct sets of criteria. The first criteria set encompasses the national interest in the form of foreign and defence policies that offset risk in the strategic environment. The second set of criteria serve the political needs of the government by responding to constituencies and other domestic interest groups. I posit that there is, like overlapping zones in a Venn diagram, a certain force structure solution that may match defence policy on national interest grounds, and also win support from domestic constituencies enabling the government to remain in power.

This approach can be compared with Robert Putnam’s concept of a two-level game, which he developed with respect to international trade negotiations. Putnam argued that international negotiations resemble a two-level game, because, first, governments are subject to domestic pressures for favourable policies, the satisfaction of which leads governments to maintain power. Then at the international level governments must seek to make gains or resist losses while negotiating and reaching

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agreement with foreign actors. If we adapt Putnam’s concept for defence acquisitions, as shown in Table 1 above, we can envisage a top-level set of criteria involving satisfying foreign and defence policy goals and a bottom-level set satisfying domestic political goals.

So what domestic goals might defence procurement meet? Opportunities for porkbarrelling are the first and most obvious answer. Defence bases and facilities are often located around major capabilities such as combat aircraft or submarines. The presence of defence facilities and bases can make significant economic contributions to local precincts through employment, payment of rates and provision of infrastructure. For example, in 2010, defence facilities in the northern Queensland city of Cairns directly employed 1,144 military and civilian staff, paid $58.1 million in wages, spent $8.8 million on housing and indirectly generated some $190 million and 748 jobs for the Queensland state economy (SGS Economics & Planning 2010, p. 2). Governments and politicians are highly attuned to these benefits. In the case of the proposed expansion of Defence’s nutrition science centre in Scottsdale, a Tasmanian Senator argued to a parliamentary works committee that the relatively small Defence footprint in Tasmania meant that the state was ‘missing out bigtime’ (Barnett 2011).

In this article, I want to argue a different domestic political agenda is at play. The domestic goal of stationing of ground-based anti-ship missile systems in the northwest is less about economic benefit and more about psychological benefit. While the new ground-based anti-ship missile will bring with it a need for trained personnel to operate, store and maintain the capability, and hence some economic contribution, I will argue that the sense of isolation and vulnerability felt by individuals and organisations in a northwest electorate is the active variable here. In particular, I will argue that the community desire for greater security meshed with the Australian government’s thinking about the development of Australia’s north, as well as its desire to retain the vote of this community. The confluence of these agendas influenced the choice to invest in the new capability. Before I turn to explaining how this occurred, however, it is necessary to set out the basic mechanics of Australia’s defence procurement process, to show how political interests, as well as bureaucratic and strategic factors can influence procurement decision-making.

3. Decision-Making in Australian Defence Procurement

Defence procurement can be simply replacing equipment as it deteriorates. It can also be acquiring new capabilities in response to a shift in strategic circumstances. Regardless of the procurement imperative, both types of acquisition entail complex processes designed to maximise performance for the ADF and reduce risk and cost to the Commonwealth. The Australian Defence Organisation employs a multi-phase system in which proposals, containing various options, are progressively refined through internal committee consideration until provided to the minister or cabinet (Commonwealth of Australia 2012, pp. 9–11). Following initial government consideration, preferred options are further refined and costed. After a so-called ‘second pass’ before the government, the preferred and refined option will be acquired through a tender process. The acquisition of new capabilities can take place through this routine process, but more often than not, decisions to acquire significantly new capabilities occur when the government undertakes a defence white paper. In the Australian context, a defence white paper aims to align the structure
of the defence force with trends in the strategic environment, while also taking into account strategic risk and budgetary realities. As such, changes in geopolitics and weapons technology are assessed, and capability options are prepared. In both the 2009 and 2016 defence white papers, much of the analysis and development of capability options for government consideration were performed through a discrete sub-review known as a force structure review (Commonwealth of Australia 2009, p. 17; Commonwealth of Australia 2016a, p. 14).

Both the routine and the periodic white paper procurement processes allow opportunities for bureaucratic actors and government interests to shape decisions, through various ‘bottom-up’ and ‘top-down’ interactions. In both contexts, there are incentives for the representatives to pursue the interests of their armed service, to whom they are ultimately responsible for career advancement. But Ministers and Governments are not passive rubber stamps for the proposals that bubble up from the bureaucracy. Defence ministers have their own staff employed under the Members of Parliament (Staff) Act 1984, some of whom are responsible for considering party political interests, including through pork-barrelling for marginal seats (Ng 2014, p. 66). As such, ministers and prime ministers occasionally override bureaucratic routines and department advice to proceed with their own preferred capability procurements, both inside and outside of defence white papers. A well-known example of the latter was Prime Minister Kevin Rudd’s intervention into the 2009 Defence White Paper, to double the number of submarines planned for procurement from six to twelve (Ziesing 2012). An example of the latter was the Coalition government’s decision to acquire the F-35 combat aircraft (‘$12b for Australia’s fighter jets of the future’, The Age, 28 June 2002). As such, governments have considerable scope and opportunity to tilt capability acquisition towards fulfilment of domestic political needs, as I explain at a later point.

4. Influence of Domestic Interest Groups and the Discourse of the ‘Neglected North’

Northwestern Australia is home to a large proportion of Australia’s resources industry and, according to the 2016 Defence White Paper’s rationale, will be a focus for deployment of the land-based anti-ship missiles. In 2007, the Northwest’s petroleum and natural gas industries were responsible for over 70 per cent of Australia’s crude oil and condensate production and were estimated to contain over 90 per cent of Australian gas reserves (Global Risk Management 2007). The petroleum resource industry, like the mineral industry, has considerable political muscle. This was on display during the era of the Hawke/Keating governments (1983–1996) when the two largest petroleum companies operating in Australia at the time, Esso and BHP opposed a proposed petroleum resource rent tax, including through a public advertising campaign (Kraal 2016, p. 498). Although, unlike in the case of the Minerals Resource Rent Tax of 2010 where the industry group successfully resisted the imposition of a tax it disliked, the petroleum industry nonetheless showed that it was prepared to take on policies perceived as inimical to its interests.

Northwestern Australia is largely contained within a single Federal electoral seat, that of Durack, which extends from Kununurra in the north and takes in the remote communities of Geraldton, Karratha and Broome. The seat was won by Australia’s Liberal Party in the 2016 election, although the party did see its grip reduced by a 4 per cent swing (Australian Electoral Commission 2016). In the context of the very close results in federal elections over the past decade, Durack is a valuable federal seat. The electorate of Durack manifests symptoms of Australia’s enduring strategic culture, described by scholar Graham Cheeseman as ‘a constant fear of attack or conquest by external and predominantly Asian “others”’.
During the resources boom of this decade, a discourse of protecting the north emerged. Demographer Salt (2012) argued that as global population grows, Australia faces a ‘mad scramble’ for space, water, food, energy, resources, commodities, security and lifestyle. Despite successive Australian White Papers judging that Australia faces no direct threats, Salt’s predictions tapped into Australia’s strategic anxiety of a small population on a large continent surrounded by populous neighbours. The resources sector in particular began to allege a lack of ADF presence. In 2012 and 2013, their views were communicated to a Senate Foreign Affairs Defence and Trade References Committee (SCFADT) inquiry (2013) into Australia’s policy towards the Indian Ocean Region.

The Committee members travelled to the northwest and heard from local industry and community representatives. While community groups admitted that ‘the risk of a terrorist or other hostile attack was low’, there was a ‘feeling … that Defence did not view the region as a security priority’. The Committee noted the community’s ‘concern about being cut off from the rest of mainstream Australia’ (SCFADT 2013, p. 49). In Canberra, senior Defence officials sought to reassure the Committee of the significant Defence air and maritime presence in the northwest. They cited Operation Resolute and its extensive sea and air patrols, designed to counter people smuggling and illegal fishing, pointed to Defence land presence through the Pilbara Regiment stationed at Karratha, and cited table-top planning exercises with state agencies, federal departments and industry representatives, as well as other mechanisms for consultation with the oil and gas industry. Nonetheless, the Committee recommended that Defence ‘focus on the defence of the North West’ as an urgent priority (SCFADT 2013, p. 49).

The Gillard Labor Government was opposed, however, to any notion that new bases might be needed in the northwest, and the 2013 Defence White Paper was used to explain that sensible basing policy had to reconcile opposing imperatives. While strategic factors pulled defence presence north and northwest, population and industry support factors pulled defence basing south and southeast (Commonwealth of Australia 2013, p. 47). Moreover, it argued, Australia’s maritime defence strategy of manoeuvre, power projection and layered defence did not require more northern bases. To strengthen its argument, the White Paper reiterated statistics on navy patrol boat days at sea, AP-3C maritime surveillance hours flown, army surveillance unit patrol days, heavy landing craft days and C-130 transport aircraft sorties (Commonwealth of Australia 2013, p. 48).

Also, unveiled were plans for more exercises, liaison and engagement activities associated with the northwest. The White Paper drew on the then recently completed ADF Posture Review, which had made a series of practical recommendations aimed at strengthening the logistics support and infrastructure at northwestern bases (Hawke & Smith 2012, pp. 2–3).

The election of the Abbot Coalition Government in September 2013 revived the ‘neglected northwest’ narrative. Delivering on an election promise, the Government commenced a select parliamentary inquiry into the development of Northern Australia. The inquiry report called for the Government to do more for the northwest, including by ‘relocating additional assets to Northern Australia’ (Joint Select Committee on Northern Australia 2014, p. 177). The Government’s subsequent Northern Australia White Paper agreed (Commonwealth of Australia 2015, p. 14). The problem was subsequently dealt with in the 2016 Defence White Paper.

The Turnbull Government’s 2016 Defence White Paper gave the north a higher profile through a special section entitled ‘Northern Australia’, highlighting the ADFs capacity for defeating terrorist attacks on oil and gas platforms (Commonwealth of Australia 2016a, 2016b, p. 72). It noted additional Northern Australia investment, including for northern bases in Darwin and Townsville and the air force bases Tindal, Scherger, Curtin and Learmonth to allow patrol boat, amphibious ship, Joint Strike Fighter and Wedgetail airborne early warning and control aircraft operations (Commonwealth of Australia 2016a, 2016b, p. 103). But with regard to basing, the
Turnbull government held the Gillard line. It stated that decisions on basing in Northern Australia would be considered ‘commensurate with operational requirements in the north’. It also made clear that Defence was not the only government agency with responsibilities for protection of the north and northwest (Commonwealth of Australia 2016a, 2016b, p. 73).

In the absence of Cabinet documents or leaks, it is not possible to be definitive about the Government’s consideration of the domestic politics in its decision-making around this procurement. What can be said is that the northwestern community has had a strong voice in parliament, that this community and its dominant employer, the lucrative and prominent resource industry have been dissatisfied with the defence presence in the northwest, and that successive governments have been unwilling to establish a new defence base in this locale. Given that these circumstances and that this community is concentrated within the boundaries of a single federal electorate circumstance, the plausibility of the Turnbull Government seeing the new anti-ship missile capability as an additional means of reassuring northwestern constituencies is an attractive interpretation of the factors behind the decision.

5. Influence of the Australian Army’s Interests in a Maritime Strategy

In its 2014 Joint Archipelagic Manoeuvre Concept discussion paper, the army stated that:

Advances in land based long-range precision-strike systems (missiles, cruise missiles, UAV); littoral anti-ship capabilities; air defence capabilities; long-range artillery and rocket systems raise the potential for land forces to provide significant support to sea and air control operations. (Australian Army 2014, p. 3.)

The procurement of a mobile, land-based anti-ship missile capability is in line with this promotion of a new role for the army. This thinking was later contained in the 2016 Defence White Paper’s rationale for the purchase as offering ‘support to deployed forces’ (Commonwealth of Australia 2016a, 2016b, p. 96). Hence, in addition to the purchase meeting the interests of the resources industry and constituents of the northwest, the procurement also appears to respond to the interests and advocacy of the army. In this section, I explain how the acquisition of the ground-based anti-ship missiles fits into a pattern of the army’s gradual reassertion of itself as a key service playing an important role in Australia’s maritime defence strategy. The army, therefore, takes on the role of a corporate interest group that has exerted influence on governments.

Over the last two decades, the Australian army’s place in Australian defence planning has recovered considerably from the 1980s and 1990s, when its role was as an auxiliary to the navy and air force. This marginalising was the consequence of the 1987 Defence White Paper, which made defending the sea–air gap to Australia’s north a central tenet of Australian defence policy (Commonwealth of Australia 1987, p. 10). The emphasis on Australia’s own geography followed the recommendations of the Dibb review of Defence in 1986 (Commonwealth of Australia 1986). Unfortunately, from the army’s perspective, it assigned to the land force less prominent roles including protecting the maritime and airbases from which Australia would project its maritime and air forces, and second, ‘mopping up’ remnants of hostile invading forces not interdicted by air and maritime forces and able to land on Australian shores (Commonwealth of Australia 1987, p. 31).

The army’s fortunes began to improve during the term of the Howard Coalition government, 1997–2007, both through luck and the seizing of opportunities to reshape Australia’s military strategy. In the late 1990s, it undertook a program of intellectual and conceptual spadework, seeking, as Bob Moyse (2004, p. 108) comments, ‘a more positive role for itself in national defence strategy’. First, the Army developed what it called the Manoeuvre Operations in the Littoral Environment (MOLE) concept. MOLE gave the Army a bigger place in Defence strategy, emphasising that even a relatively small land force transported over water could capture points of tactical relevance and help a joint campaign fulfil its objectives. Second, the Army
undertook an experimental program called Headline, to war game, test and refine these operational concepts. It employed Defence’s science and technology organisation as a partner to improve the authority and rigour of the experimental program.

This work allowing it to capitalise on the opportunities presented by the East Timor Crisis and then, following the 9/11 attacks in the United States, the global War on Terror. Following the ADF’s involvement in wars in Iraq and Afghanistan, as well as interventions in Australia’s local neighbourhood in East Timor and the Solomons, the Howard government (Howard 2006) articulated a bigger role for the army in addressing what was seen as ‘an increasing link between global and regional security challenges’. The defence policy document Australia’s National Security: A Defence Update 2007, articulated this ‘globalist’ school of strategic thinking that downplayed the importance of geography. The policy underpinned decisions to procure Abrams tanks, C-17 Globemaster aircraft and large amphibious ships. Howard himself proclaimed that his government was presiding over a ‘fundamental re-assertion of the strategic importance of the Army—and indeed of the individual soldier— in Australia’s strategic culture’ (Howard 2006).

Post-Howard, the army consolidated its new-found centrality through a reformulation of strategy for the defence of Australia. This was not through a continued advocacy of the globalist school but rather through a synthesis of previous strategies that confirmed an important role for the army as part of a maritime strategy. As Michael Evans documents, from 2011 Defence leaders such as Chief of Navy Ray Griggs and Chief of Army David Morrison began talking about a ‘third way’ between the traditional poles of Australia’s defence debate (Evans 2014). Rather than choosing between the ‘expeditionary’ and ‘Defence of Australia’ constructs, they advocated for the ADF to concentrate on mastering the techniques of littoral warfare through a ‘balanced action of land, sea and air forces’. They sought to replace the old ‘sea–air gap’ of the Dibb Defence of Australia 1987 White Paper thinking with a ‘sea–air–land gap’.

Their concept drew on the growing understanding that Australia required a stronger ADF capacity for stabilisation operations. In 1987, the ADF had experienced a ‘near run’ experience. Operation Morris Dance, the stationing of forces off the South Pacific island state of Fiji, had been planned and implemented in response to the Fijian military coup of 1987 and aimed to enable the evacuation of Australian nationals in the event that the coup precipitated violence or disorder. While ultimately an evacuation had not been necessary, it was understood that Australian forces would not have been well placed to undertake the operation especially had the Fijian armed forces offered concerted opposition. As scholar John Blaxland (2013, p. 35) points out, the crisis illustrated the paradox of Australian governments emphasising defence of continental sovereignty while feeling compelled to deploy forces well beyond the air and sea approaches to the continent when unforeseen circumstances arose.

The momentum for a bigger role for the army increased after the East Timor crisis of 1999. While Australia’s International Force East Timor intervention was successful, it was widely acknowledged that the operation revealed deficits in the ADF’s capabilities for force projection (Breen 2015, p. 129). In the light of that realisation, the Howard Government made, for the first time, stabilisation operations in East Timor and the Pacific a principle for guiding force structure decisions. The practical expression of that principle was the decision to acquire two 27,000 tonne amphibious helicopter carriers.

In the end, the army leveraged the post-911 and post-East Timor experiences to comprehensively discredit the Dibb model of continental defence, thereby shattering the planning model keeping the army in a role of ‘strategic goalkeeper’ (Leahy 2006, p. 22). Its philosophers pronounced the Dibb model as having been guilty of a ‘theory-practice mismatch’ (Evans 2004, p. 192). In doing so, the army paved the way for a series of modernisation programs, including the Hardened and Networked Army and the more recent Plan

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Beersheba. Each of these has aimed at equipping the army for roles in Australia’s region and beyond, giving it the power to sustain operations in environments characterised by multiple missions and mixed-intensity operations. While the amphibious aspect of these new roles was certainly only a part, it was important and groundbreaking in terms of its impact on Australia’s strategic planning. A good illustration is the increase in the use of terms ‘amphibious’ and ‘maritime strategy’ in Australian defence white papers over a 40-year period (shown in Figure 1 below), reflecting a sizeable shift in Australian strategic policy discourse and thinking from 2000 on.

While the Army appears to have shifted away from promoting the idea of a ‘maritime strategy’ in its latest doctrinal documents, references to amphibious operations remain frequent. This validates Moyse’s (2004, p. 107) contention that the Army had accomplished a ‘remarkable change in the general thrust of Australian defence policy’.

Although this shift has been significant, it is important to note that this expeditionary and amphibious operational posture has also to an extent been ill-defined. This is particularly the case with regard to what amphibious operations the army might be required to undertake against significant opposition around Australia’s coastline or offshore territories, or further afield in Southeast Asia. While such an operation might not resemble the famous Normandy landing of D-Day during World War II, it might resemble the landing that British forces undertook in the Falklands islands in 1982.

Successive Australian governments have vacillated on this question. The 2000 Defence White Paper (Commonwealth of Australia 2000) was silent on whether the army would need to be able to undertake amphibious operations to defend Australia in higher intensity operations. The 2009 Defence White Paper (Commonwealth of Australia 2009), in contrast, suggested a significant expansion of the maritime defence strategy and the role for land forces. It states explicitly that Australia’s land forces might be involved in not only defeating forces landing on Australia but in controlling the approaches to the Australian continent. This might involve securing offshore bases for our air and maritime forces or denying an adversary access to those same offshore bases (Commonwealth of Australia 2009, pp. 53–54). The 2013 White Paper returned to diffidence, stating that although Australia aimed to develop ‘a robust amphibious capability able to respond across the spectrum of contingencies’, the focus would be on ‘security, stabilization, humanitarian assistance and disaster relief tasks’ (Commonwealth of Australia 2013, p. 77).

Figure 1  Number of times terms ‘amphibious’ and ‘maritime strategy’ used in defence white papers 1976–2016.
The 2016 Defence White offers less guidance on amphibious operations than its predecessors. In discussing the roles of the new amphibious ships, the 2016 Defence White Paper states that they will ‘undertake a range of operations, including supporting the security of maritime South East Asia and Pacific Island Countries and addressing emergent threats in the broader Indo-Pacific region.’ (Commonwealth of Australia 2016a, 2016b, p. 99). The conclusion is that ‘opposed amphibious landings’ remains a significant grey area of Australia’s strategic policy. Consequently, in their 2015 analysis of the steps required for building an amphibious capability from the new amphibious warships, Peter Dean and Ken Gleiman (2015, p. 5) called on the Australian Government to ‘clarify expectations’.

The Government’s publicly diffident position on amphibious operations reflects uncertainty about the extent it would contemplate approving an amphibious operation against significant opposition, for example, in Southeast Asia or further afield. Moving large numbers of personnel across water against opposition potentially equipped with submarines, combat aircraft and shipborne anti-ship missiles is an enormously difficult and dangerous proposition. The difficulty and danger increases further away from Australia because Australia has no assured means of projecting air cover other than from bases on Australian soil. Enabling their landing against opposition land forces, supporting them and protecting those forces after the landing are equally replete with difficulty and danger. Analysts such as Andrew Davies (2013) of the Australian Strategic Policy Institute argue that the high risk of opposed amphibious landings means that they would require virtually all of Australia’s naval and air capability to deliver a land force. This land force of perhaps 2,000 personnel, however, might not achieve a significant strategic effect. This high-risk, low payoff nature, in tandem with their low probability for foreseeable future, means for Davies they should not be a priority of ADF doctrine or capability development. Others, however, like retired major general Jim Molan (2013) argue the opposite. In his view, Australian defence planners must take an attitude of ‘constructive paranoia’ given current strategic uncertainties arising from US relative decline and be prepared for seemingly unlikely events.

As with the previous case of the influence of the resources lobby and northwestern constituents, we lack ‘smoking gun’ evidence of the army’s influence in this decision. But what is apparent is the acquisition reinforces the larger role that the army has sought since the Dibb Defence White Paper of 1986, when it was assigned a subsidiary role. The army has responded astutely to the events of the 9/11 era, acting to ensure that its increased relevance would not be dependent on the sentiments of any single prime minister. It took a leading role in devising a new maritime strategy, of which it has been a significant beneficiary. This strategy ensures that the army’s role is more than the auxiliary force envisaged by Dibb, although with the lack of explicit guidance from the government on amphibious operations, exactly how much greater cannot be said. With the government hesitant to sharply define the boundaries of this sensitive area of defence policy, and the army ascendant in its successful prosecution of the maritime strategy, its voice alongside that of Australia’s Northwest constituents and industries, probably exerted substantive influence on the decision to acquire ground-based anti-ship missiles.

6. Influence of Realist Factors: The Rise of Sea Denial Capabilities in the Asia Pacific

In recent years, China’s rise to second place both in overall economic size and in global defence spending has provoked in line with the predictions of realist theory, both internal and external balancing behaviours from neighbouring states. Some of these actions and reactions suggest the region may be on the brink of developing the dynamics of a security dilemma, in which the action of one state for its own security are perceived as degrading the security of a neighbouring state (Liff & Ikenberry 2014, pp. 52–91).

China’s substantial defence spending, 41 per cent of Asia’s total in 2016, is allowing it to develop a blue water navy capable of projecting
force further away from China’s own shores (International Institute for Strategic Studies (IISS) 2016, p. 215). It has acquired aircraft carriers and the People’s Liberation Army navy’s mission now includes ‘open seas protection’ in addition to ‘offshore waters defence’ (IISS 2016, p. 224). It has become more active in the Indian Ocean, through ship visits, naval exercises as far away as the Mediterranean and a military base in Djibouti. Closer to home, China’s conversion of three South China Sea islands into military airbases has brought Chinese forces 1,100 kilometres closer to Australia, giving it the capacity according to one analyst, to militarily dominate maritime Southeast Asia. (Layton 2017).

But China is important for another reason. While realism cannot predict how states will choose to defend themselves, realism’s most famous exponent Kenneth Waltz predicted that states will generally choose the most efficient military practices, stating that ‘[c]ontending states imitate the military innovations contrived by the country of greatest capability and ingenuity’ (Waltz 1986b, p. 128). Consistent with Waltz’s observation, states seeking to balance against China are doing so partially by imitating elements of China’s own defence strategy. Labelled an anti-access/area-denial (A2/AD) military strategy (Department of Defence 2010, p. 14), China’s approach links missile, sensor and network capabilities to prevent hostile forces operating in its near seas. Aimed at preventing a US intervention in the case of a conflict involving Taiwan, the East China Sea or the South China Sea, China’s accomplishments in developing a network of weapons systems that can hold US forces including aircraft carriers at risk, and make it harder for US forces to mass in theatre, are now well recognised (Erickson 2013; Farley, 2016; Montgomery 2014).

Consequently, China’s example and the region’s highly maritime geography is leading to a focus on sea denial. The sea denial capabilities that China has deployed to deny other navies access to its territorial waters and maritime zones include sub-surface sea denial technologies such as the submarines, sea mines and in the future, various kinds of unmanned submerged vehicles. They also include anti-ship missiles. Now, amongst 21 countries of Northeast, Southeast and South Asia, there are some 17 with anti-ship missiles (IISS 2016). The most common platform for launching anti-ship cruise missiles are frigates and corvettes. But the use of ground batteries is prevalent amongst countries most challenged by China’s rise, including Taiwan, Japan, the Republic of Korea and Vietnam. Interest in land-based missile capabilities is also growing, according to scholar Alex Calvo (2015), amongst nations with weak naval capabilities such as the Philippines. Additionally, Russia has also deployed a land-based supersonic cruise missile capability on the Kuril Islands (‘Russia deploys newest anti-ship missiles to Kuril Islands’, RT, 22 November 2016). Michael Beckley (2017, pp. 78–119) argues that if Southeast Asian countries such as the Philippines, Malaysia and Indonesia acquire these capabilities, China’s military dominance of the region will be substantially offset.

While Australia is neither a country currently directly challenged by China nor with weak overall defence capabilities, the growing reach and capability of China’s navy is prompting questions about the best means to increase Australia’s capacity to deter and defend against foreign and hostile navies. A school of thought advocating an Australian A2/AD strategy is beginning to emerge. In 2016, Timothy Blizzard (2016, pp. 61–82) argued that Australia would be well served by adopting China’s anti-access area denial strategy. Most recently, the architect of Australia’s continental sea–air gap defence strategy of the 1980s Paul Dibb has himself called for ‘the development of an Australian equivalent of an anti-access and area denial capability’ especially for Australia’s north and northwest (Dibb & Brabin-Smith 2017). As Australia has pursued more sophisticated sensor to shooter technologies, it has put in place many of the elements for a defensive system of similar effectiveness: an over the horizon skywave radar, links with the new P8 Poseidon maritime surveillance aircraft and high altitude and long
endurance MQ-4C Triton unmanned aerial vehicles, a data fusion centre at RAAF Tindal, Wedgetail AWACs, air warfare destroyers and F-35 combat aircraft (Blizzard 2016).

In keeping with the restrained nature of Defence’s public documents, no particular country has been mentioned with respect to any arms acquisitions. Australia has also moreover thus far stayed away from adopting terminology such as ‘sea denial or anti-access and area denial’. Therefore, the strength of the realist interpretation is weaker than the other explanations. Nonetheless, the realist logic of adopting the leading defence strategies and technologies, described by Waltz, now extolled by Dibb and Blizzard, may be a dimension of the acquisition of the land-based anti-access missiles.

7. Conclusion

Australia rates as one of the least corrupt countries in the world and its defence procurement is commensurately clean, rational and efficient. But it would be naïve to believe that Australian defence planning is purely a matter of high strategy and maximum efficiency in the expenditure of taxpayer funds. This article argues that the operational requirement for the land-based anti-ship missile remains somewhat unclear, particularly given that government has not, at least publicly, set out what kinds of amphibious operations it expects the ADF to be able to conduct. In these circumstances, Putnam’s two-level game, whereby the Australian government seeks congruence between its domestic political interests and its foreign and defence policy objectives, offers a comprehensive way of understanding of Australian defence procurement policy.

First, the article showed that the government has good political reasons to pay attention to the sentiments of constituents and employers in the northwest. The resources industry is a major employer and has demonstrated its willingness to exert public pressure on governments. The community feels isolated and vulnerable, despite the absence of serious imminent threat, and despite the existence of numerous ADF plans and patrols for surveilling and protecting the north. The West Australian seat of Durack has implications for the Government’s capacity to hold power. There are good reasons for the Government to wish to be seen to be doing more to protect the region, even if the operational scenarios appear to lack robustness.

Second, the army’s success in cementing itself in a more prominent role in Australian defence strategy must be recognised as a factor favouring the procurement. The army has performed this by articulating a maritime strategy for defence of a sea–air–land gap, thereby consigning the old Dibb role of the army as a support force to the navy and air force to Australian military history. The maritime strategy envisages the army moving forces between land masses to Australia’s north, potentially to prevent an adversary establishing a forward operating base. The evidence appears the Australian governments have been indecisive about whether not the army would conduct opposed amphibious landings for an operational objective of this type, leaving ambiguity about what exactly the ADF should be preparing to do. The army may have taken advantage of this ambiguity to successfully acquire a new capability.

Third, there may be a longer-term dimension to the procurement that is consistent with realist international relations theory. Countries in Australia’s region are bolstering their sea denial capabilities in response to China’s growing military capabilities, often by acquiring sea denial capabilities. Although the continuing dominance of the US forces in most of the Pacific and Indian Oceans, as well as the many countries between China and Australia mean, Australia is one of the most secure countries in the region, there may be defence planners who see the procurement as a step in the direction of Australia’s future defence needs.

3. Transparency International ranks Australia 13th in the world for transparency and ‘cleanliness’ amongst 178 countries. Indonesia, for example, is rated 90th, while China and India each rank 79th (Transparency International 2017).
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