



LEADER OF THE OPPOSITION THE HON KIM C BEAZLEY MP

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EMBARGOED UNTIL DELIVERY

ADDRESS TO THE
LOWY INSTITUTE
SYDNEY
10 AUGUST 2006

BEYOND IRAQ

Thank you Alan [Gyngell], and thank you Frank [Lowy]. It's particularly good to see Frank Lowy here tonight. I'm looking forward to talking to you properly later on this evening, Frank. I'll say this about Frank, he doesn't take on anything easy; improving the standard of Australian strategic conversation; fixing Australian football. I only hope our national security improves as far and as fast as the Socceroos!

Debate in our national Parliament was dominated by interest rates this week. Rightly so. Middle Australia desperately wants the Howard Government to do more to put downward pressure on interest rates.

But Middle Australia also wants the Labor Party I lead, the alternative Government of this country, to do more than simply hold John Howard accountable for breaking their trust on interest rates.

Middle Australia expects Labor to put forward a plan of our own for Australia's economic security – a plan to keep interest rates low.

That's why I've been laying down my policy Blueprints: Blueprints to train Australians, rebuild our infrastructure, kick-start innovation, invest in childcare and set goals for the health of our kids, our future workforce. A nation-building plan to ease capacity constraints in the economy so we can grow without interest rates going up.

Middle Australia expects Labor to protect their wages and conditions. That's why I've fought so hard for my plan to rip up John Howard's extreme industrial relations changes and abolish his wage-cutting AWAs.

Middle Australia expects Labor to plan for their children's future. That's why I'll protect Australia against the threat of climate change – and why I'll build an Australian fuels industry to end our dependence on foreign oil.

And Middle Australia expects Labor to do everything possible to protect our national security. So I want them to take one thing from my speech tonight:

When we need to win the war on terror in our region, John Howard has us bogged down in the wrong war in Iraq.

That's why I want to talk tonight about Labor's plans to make Australia more secure, because in modern Australia, national security is a kitchen-table issue.

When I came into politics 25 years ago, the world was very different.

National security policy was the preserve of the military, the bureaucracy and the academy. A priestly caste of generals, mandarins and scholars did it all. When I became Defence Minister, I had deep convictions about Australian strategy – and I sometimes thought I was the only lay person in the country who did.

But on one, bright New York morning five years ago, all that changed utterly. Islamist terrorism brought national security into all our homes.

The long war on terror is fought every night on Australian television screens. Our people see buses burn, trains explode, towers fall. And in the morning, the radio brings the cry of the suffering innocent into our breakfast hour.

I know national security has never mattered more to our people. I am determined to get it right.

The Anchor of the Alliance

Last week, I visited the Joint Facilities at Pine Gap in Central Australia. It was a sort of homecoming. Their operations have had a significant role in my own life, as a Defence Minister and as a member of the Cabinet's National Security Committee.

But it was an important reminder too. I was deeply involved in restructuring the agreements governing the Facilities, and in integrating Australian personnel in a way which gave genuine meaning to the Labor Party's policy that the Government of Australia must have "full knowledge and consent" of their operations.

I was delighted to see, 17 years on, that genuine cooperation as equals has prevailed and prospered, through an era of substantial technological change and enhanced capability.

I was gratified, too, to see that my own growing sense back in the 1980s that over time the Facilities would become almost as directly important to Australia as to our allies, has been justified by experience.

And I was struck, again, by how strange it is that when public officials, commentators and critics consider the value of the old alliance, our role as landlord and work mate is so often inadequately weighed in the balance.

In reality, the role played by the Joint Facilities is more significant to our ally than all our various joint exercises, military exchanges, and even our support for deployments – as important as they are.

That was the case when I first worked with the Facilities, and remains the case now.

In the Cold War, Europe was a “consumer” of American security, as defending Europe’s freedom made the US a target for a devastating nuclear attack.

Australia was quite different. Our cooperation at the Facilities made us a Soviet target when without it, we probably would not have been. The fact that we were a “producer” and not a “consumer” of American security was a major contribution to the western side of the central strategic balance.

In short, the Joint Facilities made us the ally the United States needed.

That should always be our aspiration. It is vastly more important to be the ally the United States needs than to be the ally any particular American administration might want. Having the self-confidence to be the friend our ally needs is in the long-term interest of our security. And ultimately, honest advice on the wisdom of a course of action is what delivers the respect of our friends, because mates talk straight.

The National Interest

Our people expect governments to put aside ideology and act in the national interest – never more so than on national security.

So I begin with the facts of Australia’s strategic position today. The facts are these:

- John Howard’s policy has failed in Iraq.
- Australia is now part of a civil war in the Middle East.
- John Howard is not dealing effectively with the real problems in our own region.

- The threat of terrorism is undiminished – and worst of all, bin Laden is still at large.

Tragically, consideration of Australian policy must begin with its failure in Iraq.

Make no mistake. I am opposed to the war in Iraq. We should never have gone to Iraq in the first place and we should be getting out now.

I am not pleased to say that Labor has been proved right on Iraq. But in the Parliamentary debate on the Prime Minister's motion to support military action, in March 2003, I said:

This is a profound mistake, a profound mistake we should not have blundered into.

Does anyone deny that now?

John Howard should be developing and outlining his exit strategy. Instead, he has not been straight with our troops or the Australian people.

The Prime Minister keeps moving the goal posts on our troops. Their mission has been, variously:

- search for weapons of mass destruction that did not exist
- then to fight for regime change
- then to protect the Japanese
- and now something called "security overwatch".

A Civil War in the Middle East

Australia is now part of the ultimate quagmire – a civil war in the Middle East.

When the Japanese withdrew from Iraq the Government passed up a golden opportunity to act in the national interest and get out of the quagmire in Iraq.

The violence in Iraq is more and more about communal, clan and religious disputes within Iraq. What is going on in Iraq is clan versus clan, Sunni versus Shia, Shia versus Sunni, Kurd versus Shia and Sunni versus Kurd.

The Iraqi security forces we are training and working with are themselves increasingly part of the confessional, sectarian and clan struggle inside the politics of Iraq. In the murder and mayhem taking place in that poor country, there is no question that not all sections of the Iraqi security forces have got clean hands.

Australia is now part of a political situation our Government simply doesn't understand, a political situation which it is not prepared to seriously debate in this country. Because where there is serious debate, there is a growing

understanding that the political solution in Iraq now totally depends on the political outcome in the civil war there.

In fact as things stand today, there seems very little that Coalition forces can do to bring about this political solution - and much they can do to complicate it.

The disastrous situation is underlined by the bleak tone of even official commentary in Coalition countries.

William Patey, the departing British envoy to Baghdad, has been reported as telling Prime Minister Blair:

The prospect of a low intensity civil war and a de facto division of Iraq is probably more likely at this stage than a successful and substantial transition to a stable democracy.

In evidence before the US Senate Armed Services Committee, General John Abizaid, the Commander-in-Chief US Central Command, said:

Iraq could move toward civil war ... I believe that the sectarian violence is probably as bad as I have seen it.

And General Peter Pace, Chairman of the Joint Chiefs of Staff, told the Committee:

We do have the possibility of that devolving into civil war ... Shia and Sunni are going to have to love their children more than they hate each other.

The point at which the military's mission has become teaching Iraqis to love their children is, frankly, the point at which the mission must end.

Our Region has Problems of its Own – And the War on Terror is Central

John Howard is not dealing effectively with the real problems in our own region.

I want our troops in our region now. And not just troops.

Australia's scarce resources are being tipped into a billion dollar war.

And Australia's political and strategic leadership is distracted from the problems of our region.

Our staff colleges and our military headquarters and our diplomatic thinkers should be writing and planning and thinking about the region where we live.

The Prime Minister talks about "when the job is done".

Well, he should explain why he left Afghanistan before the job was done - and had to go back. Why he left the Solomon Islands before the job was done - and had to go back. Why he left East Timor before the job was done - and had to go back. Why the threat of terrorism is undiminished, and why bin Laden is still at large.

When the US went into Afghanistan in 2001, it acted at the head of one of the great global military coalitions of history. The US acted with the support of all its European allies – and all of its Cold War enemies, notably the Chinese and the Russians. It had the support of the overwhelming number of countries in the Middle East. And of course it had bipartisan support from its Australian ally.

No one should ever forget that Australia entered the war on terror in Afghanistan under our ANZUS obligations. Our great friend and ally had been attacked – we went to our ally's aid.

Labor remains committed to that fight. We took the serious step of calling for an expansion of Australian troop involvement in Afghanistan some time before the Howard Government had seen the need for this.

Our troops who go there now are entering absolutely the most risky operation of Australia's war on terror. But as I told the Parliament in yesterday's debate:

Labor supports this decision, and Labor supports our troops ... they always make us proud and this will be no exception.

Afghanistan is terror central and our treaty obligations are engaged.

That was not the case in Iraq. And that remains the fundamental difference for Australia between Iraq and Afghanistan. That great coalition of countries and of peoples – united in that great goal of defeating terrorism – should not have been put aside for the sideshow of Iraq.

It's all gone now, all gone. That is why bin Laden has been one of the great winners from the war in Iraq.

Meanwhile, the drumbeat of terror grows closer to home every year.

Only last week, there were reports that hundreds of jihadist suicide bombers have been dispatched around the world from training camps in Indonesia, our nearest neighbour, with a mission to attack Jewish interests in countries such as Britain, the US and possibly Australia.

Of course there is an element of the evil and the deluded big-noting themselves in these reports. But they are a chilling reminder that our region contains people with the intention and the capability to harm us. In the war on terror we cannot be too alert.

My simple view is this: When we need to win the war on terror in our region, John Howard has us bogged down in the wrong war in Iraq.

Responsible Leadership

In the 1990s, the Howard Government had a simplistic and counter-productive national security policy. Now, it barely has one at all.

Think back to the first Howard term – featuring a White Paper called “In the National Interest” and a minister who said “I am a Realist” – and maybe even meant it at the time.

Then to the second term Howard Government, which did the right thing in East Timor, and the wrong thing by swaggering about it afterward.

The third term Howard Government was a real special on national security, with a fashionable and foolish policy of pre-emption, articulated by a politician who actually liked being Mark Steyn’s favourite foreign minister.

But the fourth term of the Howard Government has just about taken the cake. A Government that went from conservative realism to armed liberalism in five years went from boasting about colour revolutions in the Levant to saying that withdrawing from Iraq would destabilise the Middle East in about five months.

So after 10 long years, what is the Howard Government’s actual policy? The Government says the course of its foreign policy is “to stay the course”, and that the job of its military is “to finish the job”. It is a disaster.

No matter how dreadful the mess, the question for responsible leaders never changes.

What are we to do?

Australian policy must be rebalanced – on the three pillars of the United Nations, the United States alliance, and comprehensive engagement with Asia.

Tonight, within that enduring framework, I want to address three key priorities for change. Australia needs a better plan for alliance management. Australia needs a better plan for the structure of the Defence Force. And Australia needs a better plan for practical measures against terrorist attack.

The Alliance

Australia needs a better plan for alliance management.

The central pillar of Australia’s national security is our alliance with the United States. But Australia should not just be the ally the United States wants – we should be the ally the United States needs.

The Howard Government should have been a force for good in its diplomacy with Washington in 2002 and 2003. This Prime Minister failed to support the wise voices in the first Bush Administration who argued for patience – some of Australia’s best American friends, like Richard Armitage and Colin Powell. This didn’t just let Australia down, it let our ally down.

In many ways the salient fact of international politics in any day is the fact of the American administration’s policy. The single inescapable fact of today’s international politics is this: the present American administration’s policy has foundered on the rock of Iraq.

Paul Kelly put it well in *The Australian* newspaper back in June when he wrote:

The Bush administration is confronted by strategic failure and fatigue. The ideas and methods devised by George W. Bush to interpret the unipolar world have been discredited by the Iraqi debacle. The search has begun for new concepts to govern the US polity.

This debate runs parallel with America's desperate need to salvage the best possible outcome in Iraq. The premise, however, is manifest: Iraq symbolises the collapse of the intellectual framework that defined Bush's foreign policy.

Can John Howard confront that fact? Never – ever. Why? Because when our American ally erred, John Howard was no help at all.

What he should have done was to counsel patience – and to urge restraint. He should have warned our ally of the consequences of what they proposed: America bogged down, Europe divided, Arab friends exposed, an emboldened Iran, a besieged Israel, and a neglected Afghanistan.

Where does this failure by John Howard to do his job as an ally leave Australia?

Just as September 11 changed American policy, and therefore changed the character of the Alliance, so Iraq is changing American policy too – and the Alliance will change again.

After Vietnam, came Guam. And after Iraq, we can expect that our ally will expect more of us – especially in the region where we live.

And the final irony of John Howard’s decade of mismanaging the Alliance with the United States is that we are less prepared than we have ever been for the Alliance’s future.

The Defence Force

Australia needs a better plan for the structure of the Defence Force.

The journalist Greg Sheridan's recent book *The Partnership* articulates the Howard Government's plan for the structure for the Australian Defence Force quite nicely.

This is done with Greg's characteristic prose flair. Let me share it:

Consider this image. An Australian force of 2000 soldiers moving through the sea on vast amphibious ships. It is protected by destroyers armed with the most sophisticated point missile defence systems in the world. It is also protected by Joint Strike Fighters – by far the most advanced war planes in the Asia-Pacific, refueling when necessary in-flight in the sky above the embarked force. Submarines also accompany the convoy, providing further protection from assault on the sea ...

The big force on the amphibious ships contains both attack and transport helicopters and huge, powerful Abrams tanks for close protection of the troops once they have landed ... This convoy dominates, controls utterly, the sea through which it travels ... Unmanned aerial vehicles are patrolling above the landing point ...

It's a powerful, formidable Australian force.

But Greg goes on to point out one tiny flaw in the Howard plan.

He writes, and I quote:

At the moment, it's all imaginary.

He's not kidding. It's an argument I've been making for some considerable time. Under John Howard, Australia's long term capability development and force structure planning is a mess. Consider these practical examples.

One of the reasons the Australian contingents to Iraq have relied on the British for helicopters for mobility and protection is because the combat helicopter project simply isn't finished.

To sustain support for our recent operation in East Timor, Navy had to hire small, fast amphibious vessels to support service logistics. These are just the type of vessels I have been arguing for years should be being brought into service – not two massive amphibious vessels.

And spare a thought for the elements of the Townsville-based brigade which, during this year, have been deployed twice in the region – to East Timor and the Solomon Islands. They were forced to juggle personnel and equipment, and certainly had to draw down prematurely in the Solomon Islands, because of the growing shortage of the Army's most fundamental capability requirement – soldiers.

Why? Because while Australia remains bogged down in Iraq, the Australian Army just can't sustain a serious presence in two regional hotspots – like Timor and the Solomon Islands – plus Afghanistan.

And under John Howard, it is the problems close to home, like those of the Solomons, which are being neglected as a result.

If the force structure problems today are considerable, the problems coming along over the next few years are massive.

The general lines of my concerns are well known – I stated some of them here last year. Let me focus on three major problems tonight.

First, I hope contracts for the proposed two amphibious ships are not signed when Labor comes to office. We certainly won't want to pursue that folly. The Government must look at the alternatives, such as a larger number of smaller amphibious ships.

The Government's proposed massive amphibious vessels are the sort of platform that would be needed to drag an armoured force across the Indian Ocean and lodge on Africa's eastern shores. And with only two vessels, one will inevitably be in repair or refurbishment when it is needed most.

What Australia needs is an amphibious capability which can support the kinds of operations we are likely to conduct, including the kind of separate and simultaneous regional deployments we are involved in at present.

Three or four ships of about half the size the Government is planning would give the flexibility our operations in the region demand. These could also be complemented with fast catamarans.

Indeed, Australia is fortunate to have world leaders in fast catamaran production including Austal and Incat. Austal has a world-class platform which the United States Marine Corps is interested in purchasing in considerable numbers. US Army Special Forces already lease two Incat platforms for counter-terrorism operations in South East Asia.

Then, the coming bomber gap is a massive strategic problem for our country.

No one doubts that when it is delivered the Joint Strike Fighter will be a capable platform. But Labor has been warning for years that it may be late. And we have been warning that if it is, and the F1-11s go out of service, Australia will be left without a strike capability, a strategic deterrent, at a time when we have never needed it more.

This must be understood. It means that for the first time since the Second World War, Australia faces the real possibility of losing air superiority in our region.

One of John Curtin's enduring legacies to Australia is a universal understanding that Australian superiority in the air-sea gap is the final guarantee of Australian national security.

That legacy was universally inherited. Even the greatest forward-defence-fanatics and defence-of-Australia-skeptics all accepted that. Yet it's clear now that John Howard will become the only post-war Prime Minister to leave Australia so dangerously exposed in the air.

The Government now says the Hornet upgrade program will fill the gap. However, the most recent reports about progress on the Hornet upgrade are very worrying and vindicate Labor's concerns. It now seems there will be at least a two year bomber gap before the JSF comes into operational service.

This is a dangerous gap our country's security can not afford and a gap which, as Prime Minister, I will not allow. That's why Labor has put forward alternatives that should be considered – such as a mixed fleet of Raptors and Super Hornets, or extending the F1-11, and there may be others.

I know the Government has excuses for why some of these solutions aren't ideal. Although, how a Defence Minister who says that the JSF will bring us into a new strategic community in the Pacific can so meekly accept the claim that our ally wouldn't sell us the Raptor, I do not understand.

I just want to know one thing - what is the Government's actual plan?

Third, the emerging capability crisis is in personnel numbers, especially numbers of soldiers.

We are told that Army is currently deploying artillerymen as infantry soldiers for overseas operations. This is obviously not ideal. In fact, given the tempo and scale the ADF has had to operate in the last five years, the shortage of soldiers is perhaps the biggest long-term threat of them all.

Much is unclear about the current capability development and force structure of the ADF, but one thing is clear. The current White Paper guidance to Defence, that it should be able to sustain a brigade and a battalion deployed separately in the region, is nowhere near being met.

That's why the Government I lead will have a Defence Minister who is a serious person, answering to a Prime Minister with a serious interest in the issues. And that's why I'll have a Defence White Paper which brings strategic objectives, capability needs and defence funding into alignment for the first time in at least seven years.

False Choices

None of that serious task is made any easier by the continuing desire of some politicians and commentators to rewrite the history of Australia's recent strategic policy, especially strategic policy in the 1980s.

I suppose in a way it is rather flattering that the Defence discussion paper and White Paper I oversaw 20 years ago now is still the subject of debate. I only wish it was a more serious and informed debate.

Robert Hill, as Defence Minister, gave some people the impression he would be an effective minister and a poor politician. In fact, he was quite the reverse. This was never clearer than in his efforts to take the Australian strategic policy debate back to the bad old days of false choices between global deployments with our allies or local defence of our continent.

In particular, Robert Hill and some others have worked to popularize the idea that somehow Australian defence policy in the 1980s was about “continental defence” or “a moat”. Or even that really silly line, “concentric circles”. I do sometimes wonder if our recent history would be different if the then-Minister had never seen that particular map.

So let me say something briefly about what we really were doing in the 1980s.

In short, the Government I was part of developed long term plans to restructure the Australian Defence Force so it could do more, not less. Then we made a serious investment in the Defence Force to support that plan. All through that period, it was clear to objective observers that these plans made Australia far more capable of projecting force to protect our interests, especially in the region where we live.

I went to Singapore in November 1987 specifically to underline our continuing commitment to the region. I said there:

The fall of Singapore taught two enduring lessons to Australian strategists. The first was that Australia's security was tied to the security of South East Asia. The second lesson was that, at the final test, Australia must take responsibility for its own security ... We in Australia continue to understand how our security is bound up with yours here in South East Asia.

As Minister, I even had to counter books written in Australia saying that my policies were fostering a “new militarism”!

Of course, there's far too little serious thought in any of the false debate about the 1980s.

What is serious is that setting up a false choice between a defence force that can deploy globally and a defence force that can defend Australia, is a distraction from a real discussion about the nature of a balanced defence force for the future.

Practical Measures

Australia also needs a better plan for practical measures against terrorist attack.

Ever since I returned to the Labor leadership I've been demanding action from the Howard Government on this, the one thing that counts most, practical measures. Our defences against counter terrorism should be based on sweat and serious preparation – not good luck.

That's why my first Blueprint speech dealt with this fundamental responsibility of any Government, in three key areas.

First, better intelligence, at home and abroad.

Abroad, we must have a more effective regional intelligence effort. Kevin Rudd, my Shadow Minister for Foreign Affairs and International Security, has proposed important measures to do this, based on ministerial-level discussions in Singapore, Malaysia and Indonesia following the Jakarta bombings.

These include:

- intelligence sharing protocols across the region;
- enhancing 'open source' databases on regional terrorist organisations; and
- an appropriate region-wide intelligence database on terrorism.

These were important elements of Labor's comprehensive regional counter-terrorism strategy. A plan based on five key elements: prevention; protection; emergency response management; capacity building, and a hearts and minds strategy.

At home, we need model national uniform laws for police powers to fight terrorism. The Federal Attorney-General would need to work with his State counterparts to develop model legislation, drawing on best practice in all the jurisdictions, for the States to implement. Plus, encouraging the States to meet national benchmarks, improving our protection and keeping ahead of the evolving terrorist threat, including updating and revising powers to ensure that new inconsistencies and anomalies do not creep in over time.

Second, target hardening and securing infrastructure.

In July last year, I called for a range of necessary practical measures:

A \$30 million funding pool for rail security. This would include funding for more sniffer dogs and for joint Australian Federal Police and State Police flying squads on trains. Other initiatives could include improved infrastructure security, such as security screens and fencing; and extra surveillance devices.

More responsibility for maritime security. We do not have effective identity and background security checks on the crews of flag of convenience ships in Australian waters. Only the Federal Government can fix this.

In aviation security, it is time to step in and fix passenger screening at regional airports. Even the Prime Minister's former Departmental Secretary, Max Moore-Wilton, has been critical of airport security.

The Government should also deliver on more closed circuit television at regional airports and screening of checked baggage carried in aircraft holds.

Third, the right institutions – an Australian Coastguard and a Department of Homeland Security.

Australia must have a Department of Homeland Security to co-ordinate and control the key agencies involved in information and intelligence gathering, border protection, coastal waters, transport security and incident response.

Under Labor's plan, a Department of Homeland Security would be organised around its two core responsibilities: border protection, and protecting against terrorist attack within the border.

The Minister for Homeland Security would also be responsible for a number of law enforcement and security agencies, such as ASIO and AFP, Austrac, Crimtrac and the Australian Crime Commission. Of course, drawing on the lessons of the United States experience, strong central policy and budgetary functions within the Department would be necessary. This has always been part of Labor's approach.

A key part of a Homeland Security portfolio must be an Australian Coastguard. We will present a detailed Coastguard policy for the public to consider before the next election. I'll ensure maritime security is no longer split between eight government departments, administering 11 separate pieces of legislation.

Beyond Iraq

Australia's national security circumstances are as difficult as they have been since 1945. And of course there are challenges in many areas I have not addressed in detail tonight. From the looming collapse of the global non-proliferation regime, to the continuing threat of interstate rivalries in North East Asia, and closer to home, the growing crisis of governance in Papua New Guinea.

Over the past 18 months I've spoken often about the four great international challenges of terrorism, climate change, weapons of mass destruction and extreme poverty. John Howard has no plan for any of these. Worst of all, John Howard has no plan for fighting terrorism in our region.

For me, the defining image of the long war on terror is of ordinary people running toward the fire to help – in New York and London, in Bali and Delhi, in Madrid.

Fundamentally, that is what our national security policy must do – it must run toward the fire to help. And for us, the fire is in the region.

That is where we must win the war on terror. So that we never have to run toward the fire at home.

I will lead a Government that will fight the war on terror in our region; a Government that will get out of the wrong war in Iraq; a Government that will deliver practical measures against terrorism at home. Because that is what Australia needs, now more than ever – a Beazley Labor Government.