Debate:
On ‘Ripping an Arm Off’

The following contributions are responses to Ross Babbage, ‘Learning to Walk Amongst Giants: The New Defence White Paper’, Security Challenges, vol. 4, no. 1 (Autumn 2008), pp. 13-20.

Questioning Australia’s Beowulf Option

Rory Medcalf

Professor Ross Babbage’s Comment ‘Learning to Walk Amongst Giants: The New Defence White Paper’ is, without a doubt, thought-provoking. If that was the author’s primary aim, he has succeeded admirably. He reminds readers of the profoundly changing ‘strategic tides’ of Australia’s future global and regional security environment, and accordingly suggests a future military force structure to provide Australia with:

> a far more credible defence capability to help shape a favourable regional security environment and to deter and, if needed, seriously cripple one of the Asian giants were they to grow belligerent, seek to coerce Australia or to strike at vital Australian interests.[1]

The article has captured considerable media attention,[2] given the large size of some of its capability proposals, along with its colourful reference to Australia’s need for a flexible deterrent option to, if necessary, ‘rip an arm off’ a giant, i.e. a major power. As I have commented elsewhere,[3] this is a striking turn of phrase that puts me in mind of the Beowulf legend, in which the hero of that name literally tears a limb off a much larger enemy, the marauding monster Grendel.

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[1] Ross Babbage, ‘Learning to Walk Amongst Giants: The New Defence White Paper’, *Security Challenges*, Vol. 4. No. 1 (2008), p. 18.

[2] For instance, Cameron Stewart, ‘Be prepared: challenges for Australia’s defence’, *The Australian*, 28 March 2008, <http://www.theaustralian.news.com.au/story/0,25197,23441863-31477,00.html> [Accessed 19 May 2008].

[3] Rory Medcalf, ‘Australia, monster slayer: a fairytale defence policy’, *Sydney Morning Herald*, 9 April 2008, p. 11.

To summarise Professor's Babbage's outline of a possible version of an optimal flexible deterrent force for Australia, it might include between one and three of these components:

- exceptional (and global) intelligence, surveillance and reconnaissance capabilities;
- exceptional cyber attack and defence capabilities;
- 'moderately capable' ballistic missile defences;
- very strong air defence and strike forces, with perhaps 300-400 aircraft on a par with the planned Joint Strike Fighter (JSF);
- a very strong and well-crewed fleet of possibly 20-30 submarines.

Professor Babbage does not imply that any of this would be cost-free for Australia, or could be achieved within the scope of current Australian Defence Force (ADF) processes. He notes that adopting some of the flexible deterrent options would mean that some current capabilities would need to be de-emphasised, and that there would need to be 'substantial change' in the way the ADF raises, trains and maintains personnel (in particular a much greater emphasis on fully-trained reserves). Interestingly, however, he states that such an approach would not necessarily require a dramatically expanded defence budget, although the new model would require a "markedly different pattern of defence resource allocation".[4] It is not entirely clear whether this should be taken as meaning that some of the capabilities suggested above (such as 300-400 JSF equivalents) could be introduced and supported without very large increases in the defence budget; their cost would seem to be in the order of tens of billions of dollars, and it is not clear which other capabilities might be dropped in order to reallocate funds.

Any effort to provoke fresh and original thinking in Australia's defence policy and capability debates should be applauded. I also appreciate that Professor Babbage is in an unusual position: He is for the time being constrained from engaging fully in public discussion of defence issues, given his role on the external advisory panel for the Defence White Paper being prepared this year. That said, 'Learning to Walk Amongst Giants' is in the public domain, and it would be remiss for others to delay responding to it until after the White Paper is finished.

The key elements of my response are: The article raises far more questions than it answers; it is very difficult to imagine how Australia could or would fund and man some of the suggested capability options (especially the numbers of aircraft and submarines); and there would appear to be large opportunity costs and unsettling side-effects in configuring Australia's military (and national security strategy more broadly) primarily to fight larger and more powerful states.

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[4] Babbage, 'Learning to Walk Amongst Giants: The New Defence White Paper', p. 18.

The following are some of the questions that spring most readily to mind. How could a nation with declining (or even static) economic growth and a rising welfare burden sustainably fund such a powerful set of capabilities? How would we recruit and retain the necessary volume of trained and willing manpower without engineering something like a 'military-first' transformation of Australian society, career preferences and government spending priorities? It would be useful to know more about how the suggested system of reliance on reserve personnel might work in practice, particularly given the long and intense training (and the need for regular experience and retraining) required of, for instance, submariners and pilots.

How would such an Australia avoid conveying a more threatening posture in its region? How would it be possible to prevent this expansion and major adjustment of Australian military capabilities from creating great unease in some other countries, encouraging them to devote even more of their wealth to their own military capabilities? Assuming the continued decline in Australia's wealth relative to that of many countries in its region, this dynamic—while I hesitate to introduce that much-misused term 'arms race'—would appear to be one which would be to Australia's increasing disadvantage.

The idea of an Australian flexible deterrent option would seem to take defence self-reliance to new and potentially unsustainable heights. It assumes the dire worst-case of a major military conflict between Australia and some major power occurring in a geopolitical vacuum, in which other powers do nothing. That is not to say that such things have not happened in particular historical circumstances, as the Soviet Union's 1939 invasion of a lonesome and plucky Finland attests.[5] But given the breadth and depth of Australia's security and trade relationships involving the dependence of many powerful countries upon Australian resources, and even taking into account that these ties (and the distribution of power in Asia) could change in many possible ways in the decades ahead, it is extraordinarily hard to conceive of a circumstance in which Australia would face outright aggression from a major power without any other powerful country (and not solely the United States) wanting the aggressor hindered.

Of course, any effort to imagine such circumstances requires us to do what Defence White Papers typically and understandably avoid doing; that is, to name the countries we expect to do the threatening. Purely for the sake of argument, let us assume that among the current or prospective powers of the Asia-Pacific, China and Indonesia are somewhat more likely than are the United States, Russia, Japan, India, Korea (South or unified) or Vietnam to find themselves in circumstances of potential armed conflict with Australia some time in the next forty years. How would other states respond? If the threat were large enough to warrant Australia's inflicting a crippling response, then chances are that it would threaten Australian territory and/or resources and thus international trade and energy flows. If the region by then was even more economically interdependent than it is now, would or could other states conceivably stand by?[6]

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[5] Of course, the Finns delivered Stalin a bloody nose—and perhaps 250,000 dead—but their victory was short-lived.

Finally, even if a major war between an isolated Australia and a powerful adversary came to pass, and the flexible deterrent option was employed to relieve that foe of a limb, why should we expect that matters would end there? A one-armed giant could become very angry and violent indeed. This goes to the deeper question of whether a non-nuclear-armed state such as Australia could be assured of deterring a nuclear-armed opponent in the absence (presumably) of a nuclear-armed ally.[7] As a colleague has reminded me, the arm-ripping metaphor was once used by Charles de Gaulle in explaining his reasoning for wanting an independent French nuclear deterrent against the Soviet Union.[8] I am not for one moment advocating an independent nuclear arsenal for Australia, but any thorough discussion of Australia's options for single-handedly fighting or deterring a nuclear-armed power needs to account for the nuclear dimension, and not solely by proposing the acquisition of (limited) ballistic missile defences.

Of course it is easy enough to caricature the idea of a powerful flexible deterrent as Australia's Beowulf Option. By all means it warrants serious and more detailed discussion. Any alternative, however ambitious it may seem, is worth airing and considering if that helps ensure that the new Defence White Paper is more than a reanimation of inherited assessments and capability plans, and that its conclusions do not boil down to 'a little bit more of everything'.

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[6] And if by then the region was substantially *less* economically interdependent, it would presumably have fallen well short of current economic growth projections, in which case it would not be the feared future of rich and powerful giants anyway. Such a future would pose plenty of security problems, many of them transnational and sub-state in nature, which would require greater resourcing of capabilities rather different from those needed for the flexible deterrent option. Of course, economic failure might also cause aggressive state behaviour—but without the massive and sustainable military spending and power projection capabilities that the flexible deterrent option is intended to counter.

[7] For a discussion of Australia's nuclear policy, see for example Raoul E. Heinrichs, 'Australia's Nuclear Dilemma: Dependence, Deterrence or Denial?', *Security Challenges,* vol. 4, no. 1 (Autumn 2008), pp. 55-67.

[8] George Friedman, 'A New French Strategy', *Stratfor*, 25 March 2008, <http://www.stratfor.com/weekly/new_french_strategy> [Accessed 19 May 2008].

Such discussion, however, must not avoid the central questions of why Australia should at any price seek a combat capability edge in Asia, and what might be the opportunity costs and negative side-effects of such expensive preparations for a remote scenario. If the government is genuine about an integrated national security strategy, it will want to think hard about risks and benefits, including the huge alternative gains that even a fraction of the treasure needed for the Beowulf Option could deliver for other aspects of national security and the national good.

Professor Babbage is absolutely right in saying that Australia's defence planners will "need to think creatively about the requirements of walking safely amongst giants in the 2025-2050 timeframe".[9] This will not be a job solely for defence planners. It will be an all-of-government, indeed all-of-nation process, which will need to factor in a wider set of questions than whether and how Australia might be able to injure militarily a much more powerful country. It will need to include full consideration of the cost of acquiring and sustaining such capabilities (including opportunity costs), the spectrum of more likely security challenges a future Australia could face (and the costs of addressing them), realistic trajectories in interstate relations in Asia (including the state of the Australia-US alliance), trends in the nature and utility (or otherwise) of interstate war, and the question of why a wounded giant would be an unthreatening one. In the end, we may simply find that learning to walk amongst giants will involve our accepting that we cannot single-handedly match them, and that we need to do all we can to ensure that, in a future of many powerful states, at least some of those giants have a strong stake in helping to preserve Australia's security.

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Reconsidering the Balanced Force

Peter Nicholson

There is a logical process behind the formulation of military strategy. This is particularly relevant at present because the government has commissioned a new Defence White Paper. These relatively rare occasions (on average every six to eight years) demand that strategists are not constrained by orthodoxy or conventional and popular views. Instead, a new White Paper provides a unique opportunity to project into the future and examine a wider range of options than are normally available.

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[9] Babbage, 'Learning to Walk Amongst Giants: The New Defence White Paper', p. 20.

Generally, military strategy should be relatively enduring barring a change in our national interests (probably quite unlikely); a dramatic change in strategic circumstances (somewhat more likely); or a technological breakthrough that enables new and different operational concepts and a changed force structure.

The Strategic Environment

The process of strategy development starts with a scan of the strategic environment with a view to identifying aspects that could possibly change and thereby significantly influence our military strategy.

The first thing to be said is that the nation state will remain the pre-eminent actor in the international arena. While non-state actors such as fundamentalist Islamist groups may play a substantial role in international affairs and elicit strong responses from the Western democracies, none pose an existential threat to other than a few specific third world countries. Hence from a military strategy point-of-view, the primary adversary will remain the organised armed forces of the opposing state not some sub-national group.

Second, the rise of China and India and the expression of this in their exertion of global military power will be the main change in our geo-strategic situation. Both these countries will be super powers in all senses of that term in thirty years. In particular, we must consider the possibility that either or both will act like any other super power in history and extend their influence throughout their near and proximate region, i.e. the Indian Ocean, the western Pacific and North East Asia. This would have profound significance for Australia in several ways.

An assertive stance by either of these great powers could coerce regional nations to threaten Australian interests or to diminish Australian influence. In short, to contain Australian aspirations as an active middle power in the region. It is also not inconceivable that Australia could be caught up in competition between these two powers.

Of much greater import however is the effect that an assertive China would have on US presence in the western Pacific. China has long expressed a desire to contain US influence in what she sees as her natural domain. In thirty years from now we must at least consider the possibility that China is actually able to enforce a strategy of access denial and prevent US forces operating in her near region. Problems in the Taiwan Straits, the South China Sea and Korea take on an entirely different complexion viewed in the light of an inability of the United States to intervene with conventional forces.

For Australia this means that we might need to act independently to protect our interests in circumstances short of a direct threat because the United States might not be able to intervene except in situations of direct confrontation with China. There is also the possibility that the United States has a less outward looking foreign policy in thirty years and might not wish to intervene in any situation short of a direct threat to Australia although this is probably an unlikely scenario.

A third factor is the certain emergence of Japan as a normal nation in the international community. We are already seeing evidence of Japan seeking to play a role commensurate with her economic and social power and it is almost inconceivable that Japan will not become a powerful force in international affairs thirty years hence. In particular, the likelihood is that she will resist the influence of China in her immediate neighbourhood. One likely consequence of Japan's emergence and China's access denial strategy is the withdrawal of forward based US forces from North East Asia.

A fourth destabilising factor in North East Asia is the prospect of a unified and nuclear armed Korea. This would create acute tension with Japan and China, and probably limit the ability of the international community to control events to the extent that is possible in 2008.

Nearer to home, Australia's predominant national power compared to her neighbours will have eroded in thirty years from now. The other factors that influence national security—demography, globalisation, increasing wealth and concomitant access to technology, to name but a few—will be writ large in our near neighbours and their military capability. This is not to impute adverse strategic intent on their part but merely to take this into account in the formulation of our military strategy.

So these are the giants[10] that Australia must walk among thirty years from now and these are the factors that need to be considered in our strategic scan.[11]

Possible Military Strategies for 2038

In present strategic circumstances, Australia's military strategy is sound. It can be summarised as sufficient military capability to deter threats to our national interests and to respond decisively to action against us if deterrence fails. The ADF would seek to deny operational freedom to an adversary in order to control the tempo of operations. We would expect to act with allies in most circumstances but would be prepared to act alone if necessary, particularly in our near region.[12] The strategy recognises that Australia has global interests and we might have to contribute to allied and coalition efforts to maintain these but this would not be a determinant of force structure.

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[10] Babbage, 'Learning to Walk Amongst Giants: the New Defence White Paper', pp 13-20.

[11] Allan Behm, *Strategic Tides: Positioning Australia's Security Policy to 2050*, Kokoda Paper, no 6 (Canberra: Kokoda Foundation, 2007), pp 31-2; Russell Trood, *The Emerging Global Order, Australian Foreign Policy in the 21st Century*, Lowy Institute Paper, no. 23 (Sydney: Lowy Institute, 2008), p. 47.

This strategy remains appropriate in circumstances of a more assertive stance by an emerging super power or a regional nation bolstered by one of these powers. The operational concept is also valid and feasible, namely shaping the battlespace; controlling the air and sea approaches to Australia using both offensive and defensive means; and, striking at adversary capabilities. This is described as 'reach' across a multi-dimensional spectrum; 'knowing' the battlespace; and, 'exploiting' a range of effects.[13]

However, the force structure to implement the strategy using the Future Joint Operational Concept might be considerably different in the world of 2038 when we are walking among giants. If we can no longer rely on United States to the extent that we have until now, then our intelligence, surveillance and reconnaissance capabilities will need to be considerably expanded in order to know the battlespace of the near region in all its dimensions. For example, Australia has been riding on the back of US space based surveillance for several decades with only minimal contribution in the ground segment. In 2038, we might be expected to have some skin in the game of the space segment and contribute to the cost of space platforms and sensors. This would involve substantially more government expenditure than at present.

Similarly, an independent capability to generate effects that would deter a potential adversary, or limit his freedom of action, or defeat acts of aggression at least in part could not be achieved across the spectrum of present capabilities. Either, we commit to a much larger defence budget, or we forgo some capabilities and shift the expenditure in order to significantly bolster others. One idea is to substantially increase the size of the submarine force so that we are able to dominate one part of the battlespace.[14]

This is not an argument for a niche capability. On the contrary, this is an argument for a force that is manifestly capable of delivering effects and achieving the desired outcomes (i.e. deterrence, defeat or denial) against one of the national giants or its proxies in 2038. The conundrum is that this cannot be accomplished within the present balanced force structure without either a substantial increase in Defence expenditure or by transferring resources, particularly people, from a lower priority capability. This means the ADF would no longer be balanced, i.e. have all of the functional warfighting capabilities listed in the Future Joint Operational Concept[15] in all of the operating environments of land, sea and air.

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[12] Department of Defence, *Joint Operations for the 21st Century: Future Joint Operating Concept*, ADDP D.3 (Canberra: Department of Defence, May 2007), p. 9.
[13] Ibid., p. 15.
[14] Babbage, 'Learning to Walk Amongst Giants: the New Defence White Paper', p. 19.

Some Disruptive Events

We have already considered one likely major geo-political disruptive event in thirty years hence: the rise of the giants and a concomitant shift in the balance of power in the Asia Pacific region. But there could be others associated with technological advances. The first of these is the Information and Communications Technology (ICT) revolution. While the dot.com revolution sputtered, the ICT revolution powers on and is rapidly transforming (military) operations in the electronic domain.

The earliest military paradigm of the use of mass in force-on-force engagement was replaced by the use of (geographic) space to achieve decisive results through the operational concept of manoeuvre warfare. Both utilise the physical domain. Now, the ICT revolution has enabled operations in the electronic domain that are changing the paradigm to one of time. The operational tempo has now increased to the extent that he who knows first and acts first, succeeds. Furthermore, both minor or less developed powers in the region, and non-state actors have easy access to this technology.[16]

A second potentially disruptive technological event is the proliferation of weapons of mass destruction (WMD) combined with the availability of missiles for long range delivery. There are better means of delivery of WMD by terrorist groups that are more difficult to counter but the psychological effect of ballistic missiles on Western societies creates a fear of its own. The disturbing reality is that North Korea and Iran continue to pursue mobile, solid-fuel missiles capable of being launched on short notice and capable of carrying warheads with the potential for mass destruction.

Either or both of these countries could provide this technology and capability to regional nations that are unable to compete in conventional military terms. The Australian electorate will likely demand protection from a ballistic missile threat even if it poses no real threat to national existence. The costs of such a capability would severely distort defence expenditure and further lessen the potential for achieving a balanced force structure.

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[15] These are: force application; force deployment; force protection; force generation and sustainment; command and control; and, knowledge dominance. Department of Defence, *Future Joint Operational Concept*, pp. 14-15.

[16] Lawrence Freedman, *The Transformation of Strategic Affairs*, Adelphi Paper, no. 379 (London: International Institute for Strategic Studies, 2006), pp. 16-20.

Conclusions

There is every likelihood that Australia will have to walk among giants thirty years from now. Our ability to act independently in the world of regional giants might be severely constrained without either a significant increase in defence expenditure or a change to the present vision of a balanced force structure. It will still be possible to deter military action against Australia or its interests but this might require bolstering one or more elements of capability to the detriment of others. It will also still be possible to defeat any aggression against Australia but this would be by employing targeted effects against the adversary's centre-of-gravity. At the very least, our ability to maintain a balanced force that is credible for deterrence, denial or finally defeat of aggression directed against Australia warrants detailed examination.

There are two other factors that need to be taken into account when considering the force structure required for some degree of self reliance thirty years from now. The first is the pervasive effects and consequences of rapid advances in ICT including the protection of our national IT infrastructure and our ability to threaten that of an adversary if needs be. The second is the likely proliferation of ballistic and cruise missile capability in the region. Riding on the missile defence technology wagon of the United States might require a much greater contribution than hitherto with the potential for further distortion of the balanced force structure.

Finally, and most importantly, the infrequent opportunity for examination of Defence strategic policy afforded by the new White Paper should not be squandered by an intellectual retreat to orthodoxy. Instead strategists should open their minds and cast their thoughts over the widest spectrum of future scenarios in order to capture possibilities that although remote may be critical to Australia thirty years from now.

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Trying to Influence Giants

Robert Ayson

Ross Babbage's recent article in this journal rightly calls for a re-examination of the assumptions behind contemporary estimations of Australia's future force structure requirements. It is easy to argue that he has exaggerated the number of joint strike fighters or submarines that Australia might ever need or be able to afford. But it is much harder to dismiss the deep questions he asks about the shape of Australia's strategic environment in a generation's time and the strategy this environment may call for.

The following comments do not seek to offer a superior set of capability options for 2025-2050, even though it can be argued that any good strategic analysis must include close consideration of capabilities (and funding). Neither do they challenge Professor Babbage's identification of the dominant 'strategic tide' which will shape Australia's strategic environment over the next four decades: "the rise of two or three major powers in the Asia-Pacific-Indian Ocean region."[17] This is a most important trend: in particular an increasingly capable China and India will alter Asia's military balance.

Instead this reply focuses on the ligament called strategy whose job it is to connect Australia's sense of its national objectives in that evolving strategic environment with the choices Australia makes about its military capabilities.[18] This is always one of the hardest parts of strategy. It is harder than developing an accurate picture of what the environment may look like in several decades time. It is considerably more difficult than choosing between investments in more submarines and a larger army. The difficulty arises not just because this ligament is the connecting tissue between very general statements of national interest (e.g. Australia's need for a secure environment) and the very specific equipment and personnel which comprise military capabilities. There is the additional complication that one's chosen strategy has a habit of being affected (and is sometimes thrown off course) by the strategy of another intelligent, purposeful party whose motives may be at least partially at odds with our own.

This means that strategy is much more about *judgement* than it is about *planning*. It also means that the business of strategic interaction is often more a case of seeking to *influence* potential adversaries than about *controlling* an environment ('shaping' the environment is about as good as it gets, and even then only on a very good day). Both of these art forms (judgement and influence) feature in Professor Babbage's chosen strategy of 'offensive deterrence' which is informed by his argument that Australia will need to build and maintain the capacity to "seriously cripple one of the Asian giants were they to grow belligerent, seek to coerce Australia or to strike at vital Australian interests" including the capacity to "'rip an arm off' any major Asian power that sought to attack Australia."[19] It's a case of judgement because Professor Babbage's chosen strategy is not the product of a dry mathematical formula. Instead it represents a significant continuity in his strategic thinking. His "Aunty Jack" strategy[20] of 2008 is a very close relative of his argument in the mid-1980s that a strategy of denial was somewhat too reactive and that Australia needed greater strategic leverage through the capacity to conduct offensive operations well into the region.[21] It is also a case of influence because Professor Babbage is not saying that Australia can ever hope to develop the capacity to defeat let alone dominate or control the giants. Instead the idea is to have the capacity to impose sufficient costs on a giant (i.e. the loss of a limb) such that they are deterred from ever viewing Australia as easy prey.

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[17] Babbage, 'Learning to Walk Amongst Giants: The New Defence White Paper', p. 15.

[18] This is an adaptation of Colin Gray's depiction of strategy as a 'bridge' connecting 'military power' and 'political purpose.' See Colin Gray, *Modern Strategy* (Oxford: Oxford University Press, 1999), p. 17.

[19] Babbage, 'Learning to Walk Amongst Giants: The New Defence White Paper', p. 18.

The 'rip-an-arm-off' metaphor is even more suitable for talking about deterrence than first meets the eye. On the one hand, the mere contemplation of such an action causes one to grimace because of the pain involved. What Thomas Schelling calls the 'power to hurt'[22], is central to strategies of coercion of which deterrence is the bigger and better half. (We'll come to the other half—compellence—a bit later). In this case the focus is on *deterrence by punishment*—you are deterred from attacking me because of the pain you expect me to inflict on you if you try.[23] This does not mean that I need to be able to stop your military forces in a direct, physical way. Instead I might well choose to target your soft underbelly to raise the costs you face in undertaking the act I want you avoid. I am engaging you psychologically (messing with your mind) so that you choose not to take me on. One can imagine some of the capabilities suggested by Professor Babbage performing this role. Australia's long-range combat aircraft, for example, already have an intimidatory capacity, although this applies much more to target sets in closer neighbouring countries than to the more distant of the giants. And it would probably not take 300 to 400 such aircraft alongside 30 to 40 aerial refuelling tankers[24] to expand that capacity significantly.

The fullest extension of this logic is the capability which only rarely speaks its name in the Australian strategic policy debate—nuclear weapons. To a limited extent, the Joint Strike Fighters will be the moderately wealthy person's (and not the poor person's) alternative to an Australian nuclear weapons capability. But if you really wanted to guarantee your ability to rip a giant's arm off (and the argument which follows suggests that this may not be necessary for Australia), nuclear weapons (with suitable delivery systems) are a conceivable alternative. For better or worse, the debate about leaving the option open to acquire them has not finished in this country, especially if the rise of the Asian giants is coupled with a relative decline in the potency of the US regional presence.[25]

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[20] Aunty Jack was a fictional Australian television character who told viewers that if they failed to tune in again she would 'rip your …. arms off'.

[21] See Ross Babbage, *Looking Beyond the Dibb Report*, Working Paper 110 (Canberra: ANU Strategic and Defence Studies Centre, 1986).

[22] Thomas Schelling, *Arms and Influence* (New Haven: Yale University Press, 1966), p. v.

[23] On the distinction between deterrence by punishment and deterrence by denial, see Glenn H. Snyder, *Deterrence and Defense* (Princeton: Princeton University Press, 1961).

[24] See Babbage, 'Learning to Walk Amongst Giants', p. 19.

On the other hand, the same metaphor also conjurs up a second and different sense of deterrence. A giant without a vital limb probably would not be able to chase us so quickly or beat us up so easily. Here our ability to rip an arm off may reduce the giant's ability to make a meal out of Australia to such an extent that he or she simply gives up on the idea of taking us on. This is *deterrence by denial*—a considerably more physical conception than the power to hurt. It's simply not worth the effort because of our *power to resist*.

There are echoes of deterrence by denial in the idea of defending Australia's continent by exploiting the difficulty of operating in the vast northern terrain (although these factors can affect and afflict Australian forces as well).[26] Maintaining air superiority in the immediate region and making it physically difficult for an opposing force to mount a challenge in Australia's northern maritime approaches also work in with this denial logic. But this approach can also potentially operate further afield. Australia's quiet submarines located who knows where in the general vicinity of Asian navigation routes can raise the risks considerably for any potential aggressor—and Professor Babbage suggests Australia might want to operate as many of 20 or 30 of these vessels.[27] The cyber defences and missile defence capabilities he also mentions as force structure options are also potential contributors to deterrence by denial.

In each case deterrence by denial does not mean that Australia needs to dominate the military balance (which is just as well given the growth in the capabilities of the largest regional powers). Indeed some might argue that deterrence by denial should be Australia's strategy of choice for challenging situations in the wider Asia-Pacific where our interests are strong but where our military means are always going to be limited. Any Australian capability which interdicts, complicates, harasses, confuses, quarantines, stops, attacks, shoots down, or frustrates the military forces of another state (including a giant) can be part of that strategy of denial.

Even so, there is something about ripping an arm off which suggests rather more than denial—it sounds a lot like punishment too! The idea of 'offensive' deterrence suggests that any strategy dominated by ideas of denial remains too passive and reactive. Professor Babbage wants Australia to be able to get out there and really mix with the big guys, not as another giant but as a smaller yet still significant military power which carries some frighteningly sharp objects in its handbag.

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[25] See Raoul Heinrichs, 'Australia's Nuclear Dilemma: Dependence, Deterrence or Denial', *Security Challenges*, vol. 4 no. 1 (Autumn 2008), p. 55.

[26] In his 1986 defence review, Paul Dibb suggests that Australia's strategy of denial "should have the effect of deterring aggression against us, but it does not depend upon deterrence as a force planning concept". Paul Dibb, *Review of Australia's defence capabilities* (Canberra: Australia Government Publishing Service, 1986), p. 50.

[27] Babbage, 'Learning to Walk Amongst Giants: The New Defence White Paper', p. 19.

This also means that *deterrence* may not quite be the best conceptual representation of the strategy that Professor Babbage is seeking - even if Australia ends up being capable of a suitable mixture of the punishment and denial versions. Deterrence only comes into play to ward off an action which another actor is contemplating. In other words, deterrence is about making sure that the opposing actor goes along with our preference for inaction. This may be a suitable way of thinking if we are considering the need to deter a direct attack against Australia, or even to deter efforts to begin mounting such an attack. There is also such a thing as intra-war deterrence, where we raise the costs and risks of *further* escalation by the other side, but even this is designed to prevent something from occurring which has not yet been decided on.

When we contemplate the region of the giants in which Australia may need to operate in the 2025-2050 period, the circumstances may not necessarily lend themselves to any sort of deterrence. For example, one of Australia's strategic nightmares might come true if a neighbouring weak state to our near north was somehow occupied or dominated by the military forces of one of the more northern giants (or if a rather large neighbour itself became a genuine and hostile giant). This could occur in such a way that Australia had no reasonable opportunity to get its deterrence in first, especially if that deterrence required a visible threat of Australian military action against a giant which was yet to begin hostilities itself. This problem might apply especially if the giant had been invited in by the government (or a government) of the weaker local party.

Here Australia might well be worried that the chances of a direct attack against its territory had thereby increased and deterrence might still come in handy here. But Australia's immediate focus might well be on the need to dissuade the giant from *continuing* some other sort of behaviour which was not in Canberra's interests. It might be necessary to persuade the giant to cease assisting a regional government in its dispute with another neighbour. The giant's actions might threaten large numbers of Australian expatriates. The giant might be underwriting a change in the political leadership of a neighbouring country which Australia would find unacceptable. The giant might be making normal navigation in the area more difficult for Australian vessels. Or the giant might simply be building up military capabilities in a location and on a scale which Australia found itself unwilling to tolerate.

Partly because of the overall power asymmetry between Australia and the giant, Canberra would probably not be in a position to *control* the latter's unwanted behaviour, but it would want (and need) to influence it—to get the giant to stop doing what Australia did not want it to do. This is much closer to compellence than deterrence.[28] Australia would not be seeking to *force* the giant out or away (because again brute force would not available in sufficient supply relative to the power of the adversary). Instead Australia would be using the threat of force - or the use of limited force - to make the costs and risks too high for the giant to continue with its undesirable behaviour. The giant would then retreat, leave or desist of its own accord, but would make that choice because of the changes in its estimation of costs and benefits which Australia had been able to engender.[29]

The reader might think this still calls for a "rip-your-arm-off" approach: 'offensive compellence' rather than 'offensive deterrence'.[30] But Australia might not need to have the capacity to harm or injure a giant that much to realise the necessary persuasive ability. One way of thinking about this is to consider the requirements for what might be called 'minimum compellence'. At least for a time, a number of scholars argued that China adhered to a minimum deterrence strategy to guide its nuclear weapons program: it needed a modest nuclear force to ensure that a potential adversary faced grave punishment in attacking China.[31] In Australia's case, minimum compellence (in a conventional rather than a nuclear setting) would be the minimal capacity needed to stop a giant continuing with a course of action which is significantly detrimental to Australia's strategic interests. This need not involve a capacity for assured destruction or even the ability to rip off a giant's arm. Here the capacity to rip off a giant's finger, to tie the giant's shoelaces together, to embarrass the giant, or ruin the giant's reputation might actually be sufficient.

Similarly while the same categories of capabilities Professor Babbage links to offensive deterrence might also be usable for minimum compellence, the *scale* of those options might be reducable to numbers and outlays more palatable to those who are busy ordering tomorrow's force structure. For example, an air strike capability not much larger (or perhaps no larger) than that currently envisioned and armed with high-order conventional munitions could suit a minimum compellence strategy. We might use the same logic to come to an assessment of how large Australia's replacement submarine force needs to be. This also leads us to ask whether Australia's current force structure is only as good as the current strategic environment. Might it cope with a slightly greater deterioration in that strategic environment than we might first think?

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[28] See Schelling, *Arms and Influence*, p. 77.

[29] On coercion as a strategy which seeks to manipulate choices rather than gain full control, see Lawrence Freedman, 'Strategic Coercion', in Lawrence Freedman (ed), *Strategic Coercion: Concepts and Cases* (Oxford: Oxford University Press, 1998), pp. 15-36.

[30] In fact Aunty Jack's threat is more compellence than deterrence, because she wants the viewers to *do* something (to tune in again) or face the consequences of not doing so.

[31] For a discussion of this earlier assessment, see Alistair Iain Johnston, 'China's New "Old Thinking"', *International Security*, vol. 20 no. 3, (1995/6), pp. 10-11.

But if a minimum compellence strategy successfully addressed some of Australia’s future *military* challenges in the region, and was affordable[32], it could still cause problems in other areas. Australia would maintain its capacity to use force on and above targets in territories occupied by important regional neighbours and partners (with or without the presence or the existence of giants). The same quest for an air power edge in the closer region which may make Australian planners feel reasonably secure cannot be expected to receive the same warm welcome from neighbours who fall within its radius of effect. Minimum compellence still calls on a capacity to do sometimes unpleasant things, and almost certainly to retain a power to hurt as well as a power to resist. The uproar caused by then Prime Minister John Howard’s somewhat unnecessary “pre-emption” comments in 2002 (unnecessary in terms of Australia’s regional foreign relations even if deemed necessary to reassure the Australian domestic audience after the Bali bombings) would be only a shadow of the real thing should Australia need to persuade a giant to stop doing something in the neighbourhood.

This means that alongside any strategy of compellence Canberra needs a broader political posture of regional reassurance where actors are encouraged to regard Australia as a positive contributor to regional security. This entails the flip side of the influence coin. On one side lies coercion, but on the other lies inducement. Coercion is about raising costs and risks, inducement is about increasing benefits and rewards.

One option is to avoid the problem by making sure that regional neighbours see that Australia’s minimum compellence capacities can be in their interests as well: the capacity to threaten giants becomes a public good which others are keen to benefit from. This suggests *extended compellence* produced by Australia (as opposed to the extended deterrence which Australia currently receives[33]). A closely related option is *combined compellence* where Australia and its neighbours collaboratively are able to tie (or threaten to tie) the giant down as the Lilliputians were able to do to Gulliver.

However these options are complicated by the diversity in regional opinion regarding the rise of the giants—with some taking a more benign view than others, especially in regard to China. (That complication might be even greater if one of Australia’s neighbours also happened to become one of the giants, although this is not nearly as likely as giantism further to the north). Even if all of Australia’s neighbours eventually came to regard the extended rise of a regional great power as threatening to their interests, in the short term they might still be unsettled or even threatened by Canberra’s military preparations to manage future risks associated with these giants.

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[32] A deliberate focus on minimum compellence could be much more affordable than ad hoc attempts to cover almost all the bases.

[33] See Heinrichs, ‘Australia’s Nuclear Dilemma: Dependence, Deterrence or Denial’, pp. 58-62.

A similar diversity also applies to Australian perceptions of the rise of the giants. Generally positive views of Asia's changing balance will probably hinder any major expansion of Australia's defence capabilities designed against the possibility that the same balance will end up threatening our interests. Yet if those positive views of the rise of the giants become almost universal in Australia, it might be asked whether an Asian giant can eventually become Australia's next great and powerful friend? The underlying trend in the region is still the same—the rise of the giants and a changing strategic balance - but the outcome for Australia's strategic policy is quite different. For an Asian great power to take on such a special position in Australian strategic thinking much would need to change. But if an Asian giant ended up offering significant protection for Australian interests in the event of a regional crisis, (just as China's currency settings protected the interests of smaller East Asian economies during the Asian financial crisis), what seems unlikely today might become plausible tomorrow.

Because it is almost unavoidable that a mimimum compellence approach will generate perception problems for Australia in the region, separate actions to build reassurance will probably be required. Steadfastly avoiding a reputation for unilateral tendencies in foreign policy might be one path. As Presidents with strong anti-communist credentials, Richard Nixon and Ronald Reagan were able to secure the normalisation of relations with China and nuclear arms control agreements, but the reverse might apply in Australia's case. A diplomatically progressive Australian Government committed to regional institutions may be able to get away more easily with a sharp-edged force structure than a more conservative government devoted to the language of power politics. But this would still be a difficult game if the gap between Australia's operational and declaratory policies became too vast.

It might also be in Australia's interests to avoid the reputation of being quite so focused on the rise of the giants. This may seem odd and counterintuitive if that rise is the central trend of the coming era. But in the interests of regional reassurance it might be wise for Canberra to demonstrate a genuine and abiding interest in working with the smaller and medium powers of the region. This may mean restraining the natural impulse for Australia to be part of the big table in Asia where the major powers shape the region's future (and where our Southeast Asian neighbours are in danger of being bypassed). Instead it might be better to focus on an indirect political strategy to make the nearer region more resilient to the changes that the giants will bring with them. A nearer region which is strong and confident is probably also going to be less nervous as Australia carries a powerful stick to use in the event things go sour.

It is also possible that whereas compellence may be the correct strategy, it is not Australia's job. Rather than developing its own capabilities (via the Australian Defence Force) to deal effectively with the giants, it might be thought that Australia's alliance relationship with the United States offers much greater leverage. By maintaining a strong alliance relationship, Australia increases the chances that if a giant was ever to do something very harmful to Canberra's interests, Washington would be likely to step in and undertake whatever compellence was necessary. By the same token of course, the United States seems perfect for an offensive deterrence role, not least because it can rip much more than an arm off any conceivable giant.

But the equation works against Australia's interests here. The closer the giant and its unwanted activities get to Australia's neck of the woods, the more important that coercive capacity becomes (in Canberra's eyes), but at the same time the less Washington may feel that its own vital interests are directly threatened. In addition, one of the implications of the rise of the giants in Asia is a relative reduction in America's regional advantage. The United States will itself remain a giant, and it will more than likely remain the largest of all of them, but it will not be the only one. In such a land of giants, Australia's capacity for the independent exertion of influence (or at least in a multilateral setting without the United States) is likely to become increasingly important. In the event that Australia becomes particularly worried about the evolving balance between the Asian giants and finds that the US alliance is of decreasing comfort, something rather more than minimum compellence may become attractive to some observers who may be encouraged to consider capabilities which are not explicitly mentioned in Professor Babbage's short list of large options.

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