

Australia in an Age of Strategic Competition

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It's not by chance that my first domestic address as minister is before an expert audience grappling with the challenges that are rapidly redefining our strategic environment. Challenges that are engaging our sources of national power, in new and old ways. Challenges that are also impacting on the defence force Australia needs to have, now and into the future.

I'll take the opportunity here to outline some of these challenges, as well as to explain strategies the government is adopting to meet them. By doing so, I'll frame some key considerations that strategic and military planners need to have at the fore of their thinking. Certainly, they are front of mind for me as I immerse myself in my new responsibilities.

Less than two weeks ago, two days after being sworn in, I attended the Shangri-La Dialogue in Singapore. What struck me there was a deepening sense of anxiety about the region's future. There are sound reasons for this.

As I noted in my remarks at the dialogue, the Indo-Pacific is becoming more prosperous, but it is also becoming more complex and contested. Competition between the United States and China is intensifying.

Trade and investment are being increasingly used as tools to build strategic influence, not just gain commercial advantage. North Korea has shown no willingness to comply with UN Security Council resolutions addressing its dangerous nuclear and missile programs. International law and norms continue to be challenged, and not only in the South China Sea.

More and more frequently, malevolent cyber activity is threatening our security and economic wellbeing. And terrorist groups continue to seek footholds and opportunities to establish operational cells and networks of supporters in our region.

*Senator Linda Reynolds is the Australian Minister of Defence. This senior-leader perspective is derived from her 13 June 2019 speech at the Australian Strategic Policy Institute's International Conference: War in 2025. For a full version of the speech, please visit the Australian Department of Defence website: <https://www.minister.defence.gov.au/minister/lreynolds/speeches/aspi-international-conference-war-2025>.

More than at any other time over the past seven decades, national sovereignty is coming under new forms of pressure. What this shows is that the sense of common purpose that has long driven economic liberalization and tighter partnership in our region can no longer be taken for granted.

As the rules that have guided our prosperity and security are eroded, so too is the trust that this common purpose is built on. And so too is the ability of states to withstand new pressures and to avoid having to compromise their strategic interests and, in some cases, national values.

This is not something the Australian government and people can accept. Especially at times of uncertainty, adherence to rules matters.

Let me be more specific. What a rules-based approach means to Australia is actively upholding international law; reinforcing, not undermining, the work of multilateral institutions; acting responsibly and transparently in assisting other countries; enforcing sanctions in response to rogue behaviour; not misusing technology under the cloak of deniability; and punishing terrorists discriminately.

Australia will always identify with rules-based systems and work actively to support them. This does not mean—and let me be clear about this—this does not mean that we want to preserve the past as a way of shaping the future. Far from it. For rules are strengthened by being adapted to new realities.

New rules also need to be written, especially in relation to potentially disruptive technologies that have advanced faster than have regulations governing their use. As Prime Minister Lee of Singapore so wisely remarked at Shangri-La, we need “to bring the global system up to date, and to not upend the system.”¹

To this end, rising powers that have a pivotal role in global prosperity—China and India, in particular—must play a big part. And so too must smaller countries, to ensure their interests and sovereignty are not overlooked.

The key for a highly capable but modestly sized defence force, like Australia’s, is being smart about how we respond to strategic and technological trends that are becoming less favourable to our interests. For Defence, this underpins everything we do—from our capability decisions and how we work with allies, industry, and across government, to our international engagement, capacity-building efforts, and use of hard-power assets for soft-power effects. Let me unpack this a little in four key areas.



Photo courtesy of Australian Army

Australian forces. US and Australian forces first fought alongside one another at the Battle of Hamel on the Western Front of World War I on 4 July 1918. The relationship, often referred to as *mateship*, forged over a hundred years ago has grown even closer over the years, with the two nations and New Zealand formalizing their security alliance by signing the Australia, New Zealand, United States Security Treaty (ANZUS Treaty) in San Francisco on 1 September 1951.

First and foremost, how we manage our alliance with the United States will be crucial. In my Shangri-La speech, I referred to *mateship* and *trust*. We are now in our second century of mateship with the United States. That matters a great deal.

Today this relationship is not just about our mutual support obligations, enshrined in the ANZUS treaty.² Rather, it is about ensuring the alliance is more focused on, and responsive to, shared challenges in the Indo-Pacific.

As I discussed with key allies at Shangri-La, it is now about coordinating implementation of our respective Indo-Pacific strategies. And it is about determining where we can have a better combined effect, particularly with our Five Eyes

partners, where we need to develop complementarities, and where we must build self-reliance.³

These will be important messages both I and the minister for foreign affairs will be reinforcing not long from now at the next Australia–United States Ministerial Consultations. They will help guide how we focus lines of interoperability and where we direct effort to ensure that the alliance’s whole remains greater than the sum of its parts—in terms of the intelligence that guides us, the capability we operate, and the technology that advantages us.

Second, the government is taking a more proactive and imaginative approach to how we engage other allies and partners. We have made especially long strides in our engagement with Japan and France, both being key players in the Indo-Pacific region. Both relationships were reaffirmed at the Shangri-La Dialogue. And we are exploring new opportunities for cooperation with India and the United Kingdom.

At the same time, our engagement with regional partners has gone from strength to strength—since being mainstreamed under the 2016 Defence White Paper as a core activity. Under the Defence Cooperation Program, we have delivered wide-ranging capacity-building and training support, both in country and in Australia, to a host of regional countries.

And we have been imaginative in how we do this. A good example is the support we provided to Vietnam in airlifting its peacekeepers to South Sudan. This served not only to assist our UN peacekeeping credentials but also to enhance our standing in the region by helping others shoulder more responsibility for the global rules-based order. These are all important investments in deepening trust, with practical benefits ranging from frank high-level dialogues with traditional and nontraditional partners, to expanded access in the region.

Third, Defence is working more closely with other government agencies to broaden Australia’s influence in highly tangible ways. An excellent example of this is the Pacific step-up, which the prime minister announced last November.

Building the resilience of our Pacific neighbours, and helping them reinforce their sovereignty, demands a whole-of-government effort. No one should be under any illusions about the strength of the Morrison government’s commitment to the Pacific Ocean states, well beyond the AUD 1.3 billion–worth of assistance that already goes to the region. Australia will do all it can to help members of our Pacific family further develop their infrastructure, providing what is needed and what is affordable. We will also help guard against the impacts of climate change and protect their economic interests.

Defence is doing its part to ensure we remain a responsive and effective security partner of choice. Through both enhanced people-to-people links and maritime

security assistance, building on the 10-year AUD 2 billion Pacific Maritime Security Program.

Fourth, the Coalition government has worked hard to put Defence's relationship with industry on a more collaborative footing. The results are impressive. There have been many achievements in the wake of the release of the 2017 Naval Shipbuilding Plan and the 2018 Defence Industrial Capability Plan, as well as the establishment of the Australian Defence Export Office.

This is about more than building a robust, resilient, and internationally competitive Australian defence industry base—by placing trust in our industries and our people. It is also about ensuring that our industrial base adds to Australia's strategic weight—by fueling innovation and developing and nurturing our own sovereign capabilities.

The Morrison government is firmly committed to Australia authoring its own future in a prosperous and secure Indo-Pacific region. Investing in a capable and potent defence force—one that can provide credible deterrence and withstand and counter coercion—will be an integral part of this commitment. **JIPA**

Notes

1. Yen Nee Lee, "Singapore's leader appeals to the US and China to resolve their differences," *CNBC*, 31 May 2019, <https://www.cnbc.com/2019/05/31/singapore-lee-hsien-loong-asks-the-us-and-china-to-resolve-conflict.html>.
2. The Australia, New Zealand, United States Security Treaty of 1951 is an agreement signed in 1951 to protect the security of the Pacific.
3. The Five Eyes is an Anglophone intelligence alliance, comprised of Australia, Canada, New Zealand, the United Kingdom, and the United States.