



Australian Army
Research Centre

Strategic Assessment

Quarter 2, 2020



Serving our Nation



**Australian Army
Research Centre**

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Introduction

The Australian Army, like all Australian institutions, is in the initial stages of a structure and posture shift to account for changes not necessarily anticipated. The Army's contribution to the ADF's *Operation Bushfire Assist* and the consequences of the COVID-19 pandemic cessation of 'normal' social existence and economic behaviour are certain to impact on the Army's role and resources. Moreover, the geostrategic shock caused by the shut-down of the global economy by states and international government organisations has made Australia's strategic situation more competitive and dangerous. Opportunistic states are taking advantage of potentially long-lasting weaknesses to reshape power and influence within Australia's region. The 2018 conceptual paper *Accelerated Warfare* has been proven in these events, as has the Army's decision to focus on adaptability in being 'ready now' and 'future ready'. The Army's strategic philosophy—as captured in the 2019 releases of *Army in Motion*, *Good Soldiering* and *Army's Contribution to Defence Strategy*, and the 2020 *National Institution Statement*—has been amplified in its importance by events. The Army is in a good position, supported by good ideas, and relevant strategies to posture for new requirements.

The purpose of this paper is to highlight key trends and challenges to the Army in order to inform force design, structure and posture decisions. It considers emergent challenges faced by Australia and assesses their implications for the Army's future concepts, force structure and narrative. This paper is oriented towards the impact of the summer bushfire season, the COVID-19 pandemic, and the ramifications of these events within the geostrategic environment.¹ The impact of the pandemic has yet to fully manifest, and therefore further disruption should be expected. A substantial

quantity of analysis is becoming available as academic and research institutes publish, and discourse within the Australian national-security enterprise continues. All will contribute to the development of the Army's strategic narrative as the Service, within the ADF, responds to this volatile, uncertain, complex and ambiguous environment.

This paper and subsequent editions will incorporate basic principles of 'net assessment'; a methodology which principally focuses on strategic interactions and 'red' and 'blue' strategies.² The objective of this form of assessment is to produce decisions about military capability. It seeks to reveal the bigger picture and serves to offset short-term planning proclivities dominating the development of strategy — 'a tyranny of small decisions'.³ The net assessment methodology thereby searches for strategic asymmetries to understand competition, by trying to 'model simple and think complex'.⁴ This methodology will be introduced with a general examination of trends defining the environment in which this competition occurs. This paper, and those which follow, simplify analysis by describing trends, and what the implications of these trends might be.

RAND Corporation recently completed a study of strategic trends as they applied to US forces preparing for the 'future of warfare'.⁵ They asserted that there is wide agreement across the analytical community as to the type of trends affecting military forces; what differs is the combination of trends and their severity. Although the Army's *Accelerated Warfare* concept faithfully represents the trends most likely to affect the Army in the future, the Army must continue to remain alert to rapid changes in Australia's setting.

Balancing jurisdiction and capability

The Army's involvement in the joint *Operation Bushfire Assist* from 2019 was important because it tested the boundary between the normal jurisdiction of the ADF and an implicit obligation to support the nation when other Federal agencies lack the capacity to do so. It demonstrated the utility of Army's whole-of-workforce approach, especially in the context of the 'call-out' of the part-time Service Categories.⁶ The process for calling out military support to emergencies has proven effective, evidenced by the successful mobilisation of capability that has been witnessed in 2019 and 2020. This will likely require the Army to reconfirm preparedness tasks for its formations, and resource identified leads to meet these potential missions.



Economic crisis

The economic consequences of the COVID-19 pandemic are severe. The Organisation for Economic Cooperation and Development (OECD) predicted in March that the cost to Australia of its economic shutdown will be over 20% of its annual gross domestic product (economic activity).⁷ The Treasury reported in May that annual GDP was likely to drop 10% (\$50 billion) in the 'June quarter' alone—the largest fall on record.⁸ Recent reporting from the OECD suggests that prospects for an economic recovery are improving from the bleak picture it gave in March, but still maintains that the Australian GDP could permanently fall 5%.⁹ At the time of writing the Australian Government has committed \$320 billion to the COVID-19 response (16.4% of annual GDP, much of it from debt), dwarfing the stimulus package during the Global Financial Crisis by a factor of four, and reflecting around eight years of cumulative economic growth. The significance of these amounts is evident in a comparison with the 2019/2020 Defence budget (1.9% of GDP).¹⁰

Australia has been fortunate in having a robust economy and an institutional framework able to rapidly respond to the economic crisis. Governments at all levels, as well as their supporting agencies, are using a combination of measures to restore economic stability and allow for a recovery. Nonetheless, it is likely that a return to pre-COVID-19 economic levels of activity will take a number of years. This will naturally require Defence, including the Army, to monitor time-dependent financial requirements and be prepared to support economic recovery over the next two to five years.

National and military resilience

Recent public emergencies have elevated the topic of national resilience to a major strategic problem. The Federal Government has been interested in resilience in the context of climate-induced national disasters since 2011, and the Department of Home Affairs has published considered analysis in review.¹¹ Resilience has also been raised as an idea relevant to the Australian national security enterprise through emphasising availability of fuels and other critical commodities, or industrial products (such as electronics)—the topic of study. This debate is matched by growing unease with the reliability of military sources of supply and increasing caution in ADF capability decisions.¹²

These many interpretations of ‘resilience’ reflect a broad unease and are all characterised by the fundamental idea that efficiency dividends are not as valuable as previously believed, and that capacity and reliability in times of need is tremendously important. This idea has implications for the Army— if not all of Defence—and its preparedness management system, as well as its sustainment concepts.

Defining the environment - The acceleration of strategic competition

The risk of major conflict within the region continues to grow as tensions are exacerbated by the economic impacts of the COVID-19 pandemic.¹³ It is likely that economic and commercial collapse will create openings for opportunistic states and non-state actors in the region. The ADF will continue to play an important part supporting Australia’s friends and partners throughout the region, working to assure security and geostrategic stability. The Army’s own regional activities are likely to be an important reminder of Australia’s international presence and will be crucial to developing closer diplomatic ties. The Army’s regional role, in a whole-of-ADF and multi-agency approach, will be essential in a strategic environment where multi-polarity is prevailing, international relationships are fraying and regionalism is becoming even more important.

The Future Land Warfare Report 2014 defined the future conflict environment as being the crowded, connected, lethal, collective, constrained, urbanised littoral.¹⁴ Although this report is dated, these definitions apply to strategic competition as witnessed beyond 2020. The environment in which the above engagement activities will be conducted, if not conflict itself, will be subject to an increase in the impact of ‘connectedness’. This includes practice of what has been described as the ‘dark art of political warfare’; an activity that is particularly evident regionally.¹⁵ Figure 1 below demonstrates this connectedness graphically, highlighting how acts of political warfare fit onto the spectrum in ways that incrementally build toward the outbreak of armed hostilities.

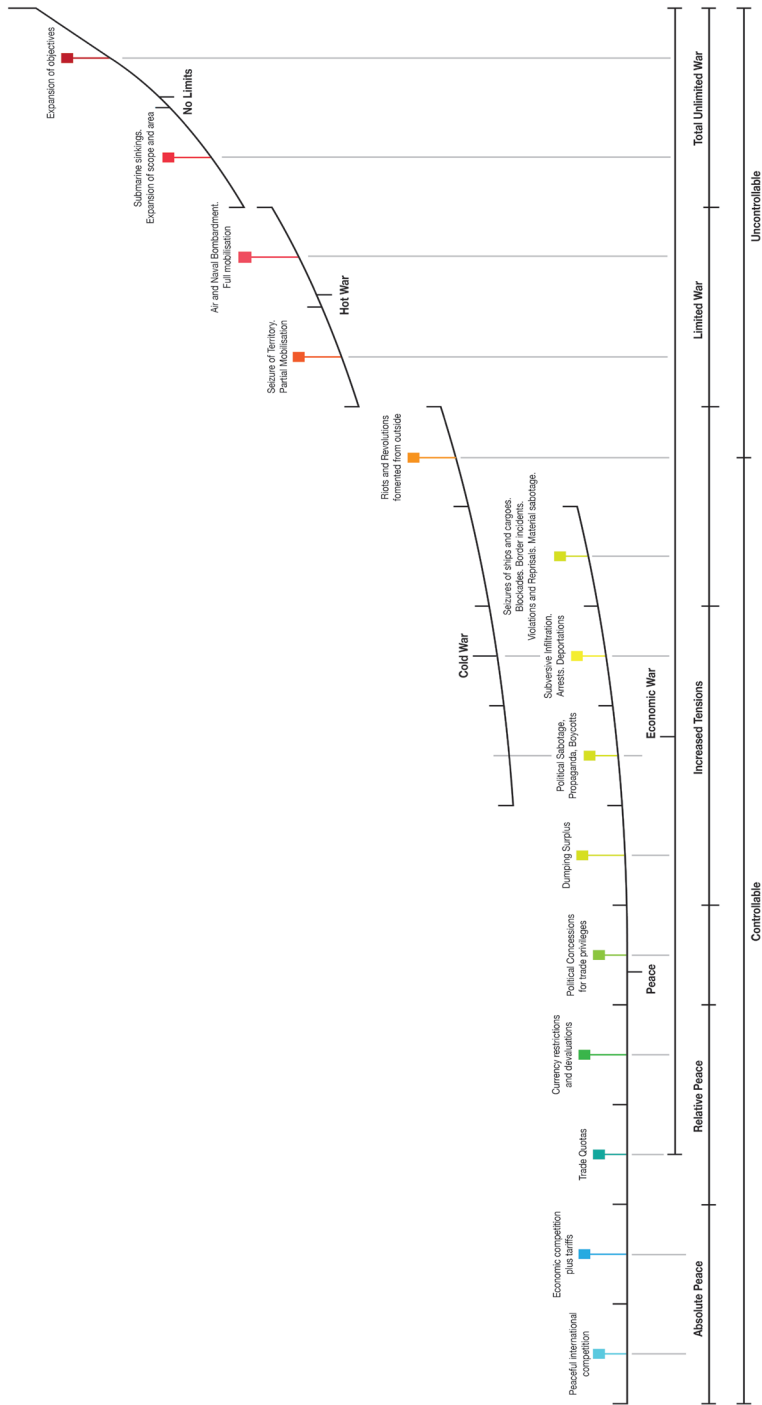


Figure 1 – The Spectrum of Conflict (Source: Adaption from U.S. Marine Corps, FMFRP 12-14 Logistics in the National Defense, 5 April 1989)

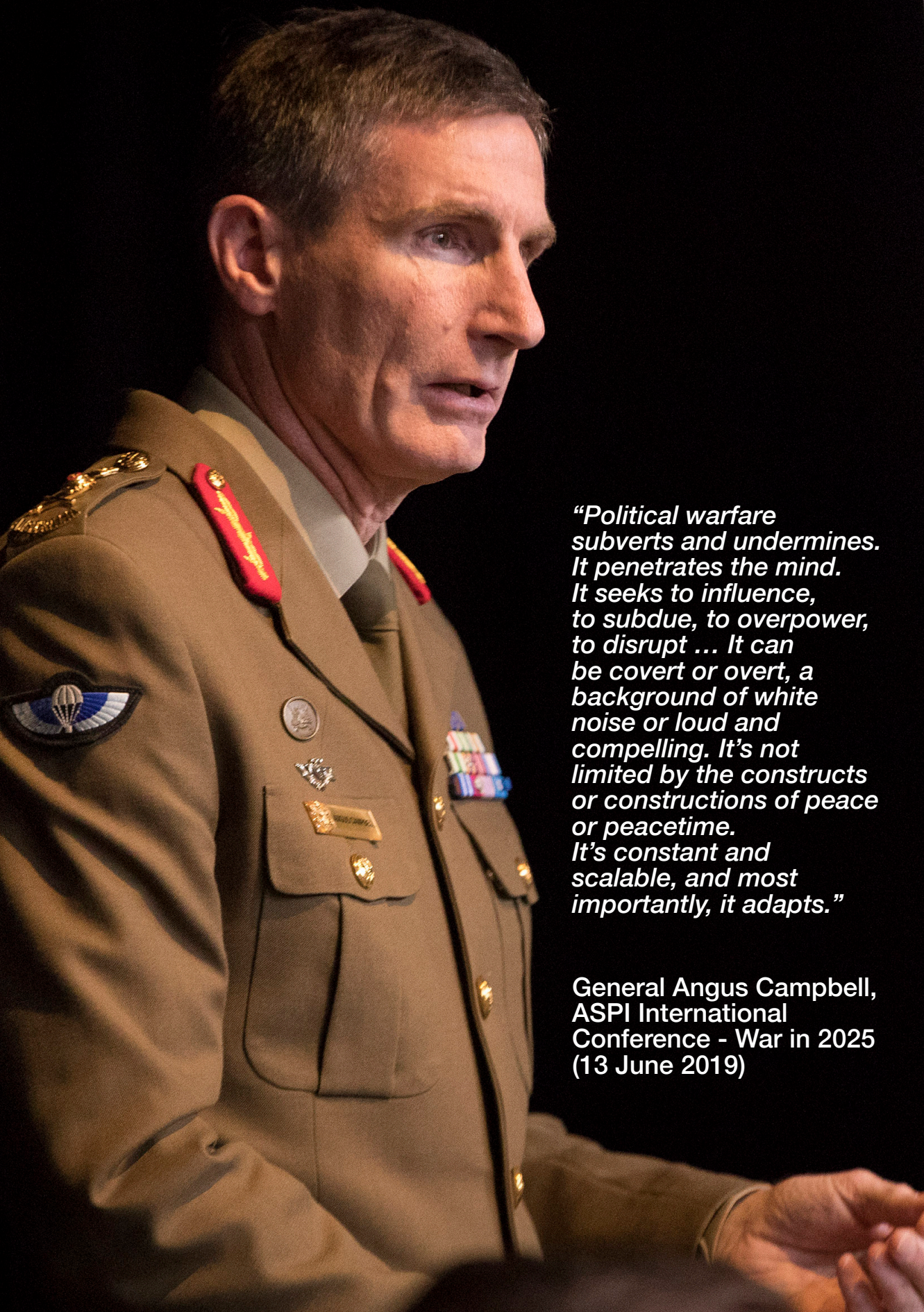
Hard Power

The catalyst of Russia's Crimean, Donbass and then Syrian employment of military capability shows efforts to refine sensor-shooter kill chains to extremely efficient levels. Resultant effects can be seen upon logistics hubs,¹⁶ evolution to operational command and control and the criticality of national infrastructure.¹⁷ These observations collectively posit the emptying of the rural battlespace and contribute to the ongoing discussion of the concept of Multi-Domain Operations (MDO).¹⁸ The pursuit of Competition through the employment of hard power posits might therefore be seen as risky and overly costly, in terms of lethality and the acquisition and operating costs of 'dangerous luxuries'.¹⁹ This observation is evidenced by the very employment of 'salami slicing', 'political warfare' or 'hybrid warfare' means in the first place.

Soft Power

The pandemic and consequential economic conditions have affected less-developed nations acutely in the context of basic human development measures. The global responses to the COVID-19 pandemic demonstrates that some nations are choosing to mis-represent, deliberately mis-inform, and leverage Humanitarian Assistance/Disaster Relief (HA/DR) in order to achieve influence objectives empowering autocratic regimes. It must be noted that a shift toward greater autocracy had been observed pre-pandemic, reinforcing that a democratic decline is not a trend caused by the pandemic but rather accelerated by it.²⁰

The pandemic has also demonstrated insular responses from many nations, in what has been described as a cycle of 'deglobalisation' (an earlier cycle being identified as 1913-1950, inclusive of the Great Depression). Globalised supply chain disruptions coupled with a 'weaponised' information narrative surrounding HA/DR is playing out at present. It is certain that political warfare through HA/DR is occurring.



“Political warfare subverts and undermines. It penetrates the mind. It seeks to influence, to subdue, to overpower, to disrupt ... It can be covert or overt, a background of white noise or loud and compelling. It’s not limited by the constructs or constructions of peace or peacetime. It’s constant and scalable, and most importantly, it adapts.”

General Angus Campbell,
ASPI International
Conference - War in 2025
(13 June 2019)

Sharp Power

Disinformation and 'sharp power' '(a) cuts through the political and information environments... (b) cuts razor-like into the fabric of a society to amplify existing tensions, and (c) is malign and aggressive'.²¹ This is an apt description for the accelerating evolution of disinformation from disruptive to manipulative and is being utilised regionally.²² Reflecting upon a history of disinformation,²³ into hostile social manipulation,²⁴ forecasting inevitable competition of machine-driven communication tools (MADCOMs),²⁵ we arrive at Joseph Nye's conclusion that certain actors are achieving a deterrence effect through information/cyber means.²⁶

Geoeconomics

The COVID-19 pandemic and the subsequent economic crisis has exacerbated major power competition. Since the Global Financial Crisis in 2008 economics has been securitised, and used in a way to influence and coerce. This has been seen most evidently within the South East-Asia and South Pacific regions. Over recent months tensions between the US and China have been particularly explicit, and Australia's position on COVID-19 responses has resulted in important restrictions of its products. It is possible that supply-chains directly relevant to military capability are impacted by such restrictions, just as trade is used as a point of influence elsewhere.

Accelerated competition

Collectively, elements of hard, soft and sharp power are evolving at an accelerating rate of change across variables of information availability, storage capacities and connectivity.²⁷ These factors suggest that the Army, as part of the ADF, can continue to provide a conventional deterrence effect while maintaining its existing budget and without unplanned force-scaling. Nonetheless, an increase in competition within the region is evident, and it is highly likely that the Army will require a force posture and solution to compensate.



Conclusion

The purpose of this paper was to assess the impact of events and the geostrategic environment upon the Army for two reasons. Firstly, to inform decision-making concerning the Army's force design. Secondly, to support the evolution of the Army's strategic narrative as expressed in its core strategic documents. As mentioned earlier, the Army's strategic philosophy places it in good stead to respond to events. Nonetheless, the rapidity and scale of recent crises—as well as the strategic 'opportunism' being witnessed in an already competitive strategic environment—introduces risks and issues that require the Army to respond. The balance between 'jurisdiction' and 'capability', the consequence of the pandemic-induced economic crisis and the acceleration of strategic competition has created a complex mix of circumstances that may lead to existential change for the Army, if not Defence writ large. The Army is witnessing changes that are highly likely to change its operating and organisational paradigm.

The bulk of the analysis within this paper focuses upon the high likelihood that the post-COVID-19 environment will see an increase in strategic competition. Andrew Krepenivich wrote in February this year about the nature of protracted conflict between great powers.²⁸ Although we are not yet witnessing conflict, but rather competition between major powers, many factors identified by Krepenivich are likely to emerge over pandemic timelines to 2022 and beyond. It is possible that Krepenivich's initial assessment is conservative, with further amplification of trends anticipated in Quarter 3. Amplification might also be matched with bifurcation, as the traditional notion of deterrence theory expands in scope to consider proxies, cyber warfare and even the impact of thinking machines that will act on behalf of competitive nations.²⁹ This risk must remain the Army's pre-eminent focus, despite the pressures to act in other directions.

The magnitude of the challenges for the Army, Defence and the Nation in coming years are obvious in the works of a wide range of commentators and research institutes. The conversations underway have the potential to influence decisions at a national level. The Army must engage with this discussion as there is a high likelihood that it will lose agency. Recent events have highlighted that the essential features of the Army's suite of strategic documents remain sound, though its narrative will naturally need to modulate to suit rapidly changing events. The existential risk for the Army at present relates to its funding and actions within the context of the IIP, though it should not forget that strategic competition is escalating and geostrategic tensions are likely to cause tremendous uncertainty within the region. A confluence of risks will continue to demand that the Army be adaptable, resilient and partnered with a range of institutions, Australian industry, academia and research institutes, and—above all—the Australian community. This relationship underwrites the Army and is more important now than it has been for decades.

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Australian Army Research Centre

The Australian Army Research Centre (AARC) was established in mid-2016 in accordance with the wishes of the then Chief of Army Lieutenant General Angus Campbell. It is the successor to the Land Warfare Studies Centre. It sits as a Directorate within the Army's Future Land Warfare Branch in the Land Capability Division of Army Headquarters.

Role

The AARC conducts research and analysis, fosters debate and advocates the value of the joint land force to Government, academia and the public.

Charter

The AARC is dedicated to improving the Army's understanding of the profession of arms. Its purpose is to promote the contribution of the land force to joint operations in peace and war. The AARC conducts applied research on the employment and modernisation of Army with particular reference to Australia's circumstances and interests. It raises the level of professional debate on war and its challenges within the Army, the nation and international audiences. The AARC enhances the professionalism, leadership and ethical awareness of Australian soldiers and officers.

To disseminate ideas and to promote debate, the AARC maintains a vibrant publication and seminar program. The AARC's flagship publication is the Australian Army Journal, now in its fourteenth year. The AARC also publishes Occasional Papers and shorter works on its blog, the Land Power Forum. Fortnightly the AARC hosts a seminar series in the Ngunnawal Theatre in

Russell. The AARC also hosts academic level conferences such as 'Ethics under Fire' and 'On Ops'.

The AARC contributes to Army's understanding of the future character of war and the advancement of land power through a number of initiatives. These include:

- organising and conducting the Chief of Army's Land Forces Seminar as a part of the Land Forces;
- contributing to the development of strategic concepts, strategies, and force structure options;
- assisting in the development of Army doctrine and facilitating its incorporation into future Australian Defence Force joint doctrine;
- managing the Keogh Chair and the Staff Ride Programs;
- managing the Army Research Scheme; and
- mentoring the work of the CA Scholars and CA Honours Students.