



Australia's Defence Dilemma

Picture Credit: Flamingostech

The question of whether Australia requires a large military elicits diverse and often conflicting opinions. Despite being a prosperous, resource-rich nation ranking 12th globally by GDP, Australia's defence spending remains only 2% of its GDP on defence—below the world average of 2.3%. This low expenditure raises concerns, especially given the country's vast size and strategic importance. Factors like geographical isolation and surrounded by oceans, has contributed to a perception that Australia is safer than rest of the world always embroiled in conflicts and there is no need to maintain a strong military. Historically, it has adopted a non-interventionist foreign policy, largely avoiding entanglements in Cold War conflicts and focusing on domestic stability. This has led to a false sense of security that Australia, by avoiding confrontation, also avoids the risk of future threats.

However, in today's unpredictable and multi polar world, geopolitical dynamics can shift rapidly, potentially compelling Australia to take sides in conflicts. Although recent efforts have been made to strengthen national security, this article argues they are insufficient in addressing critical gaps in defence infrastructure. It warns against complacency and emphasizes the need for urgent, more robust measures to prepare for emerging geopolitical threats that could challenge Australia's longstanding defence assumptions.

Australia's Geography and Historical Defence Challenges

Geographically isolated between the Pacific and Indian Oceans in the Southern Hemisphere, Australia—and by extension, New Zealand—stands out as a sanctuary of peace and tranquillity. This geographical remoteness, a product of ancient continental drift, not only fostered unique biodiversity (like kangaroos and Tasmanian devils) but also instilled a deep-rooted sense of security and independence. This isolation led to a tendency among Australians to believe they were immune to global hostilities, which in turn resulted in minimal investment in military capabilities and a somewhat complacent attitude toward national defence.

This sense of security was shattered on February 19, 1942, when approximately 240 Japanese bombers attacked Darwin, a poorly defended northern city. At the time, Darwin served as a minor military hub for the Royal Australian Navy and Air Force but lacked adequate defences. The attack exposed Australia's vulnerability: 236 lives were lost, 400 people were injured, 11 ships were sunk, and 25 damaged and 30 aircraft were destroyed. A post-attack investigation by the Lowe Commission revealed that Darwin should have had at least 36 heavy anti-aircraft guns and 250 aircraft; in reality, it had only 19 anti-aircraft guns and 36 aircraft. The city also lacked early-warning radar systems. The attack was strategically aimed at disrupting the transit of U.S. and allied troops to East Timor, highlighting Australia's ill-preparedness for serious military conflict. ***Despite this wake-up call, Australia defence budget has been kept low for decades and subsequent governments have failed to come up with a robust Australian defence policy.***

Australia's Economic Embrace of China

Fast forward to the 21st century, China's economic boom led to close Australia-China trade relations. China's rapid industrialization and massive infrastructure projects created a high demand for raw materials—something Australia was rich in. As a result, between 1995 and 2022, Australian exports to China ballooned from \$2.25 billion to \$123 billion. Key Australian exports included iron ore, coal, copper, beef, wool, and education services. In return, Australia imported around \$81 billion worth of Chinese goods, including electronics, cars, clothing, and furniture. ***The trade dynamics heavily favoured Australia, benefiting its economy substantially.***

Geopolitical Tensions in the Indo-Pacific

However, China's assertive foreign policy and military build-up began to worry the West, particularly the United States. China's territorial claims in the South China Sea—which contravened international maritime law—and its hardened stance on Taiwan created geopolitical tensions. China's disregard for the 2016 International Court of Justice ruling, which favoured the Philippines in a South China Sea dispute, served as a major red flag for nations in the region, including Australia.

The U.S., maintaining its role as the global superpower post-Cold War and tries to ensure Indo-Pacific security through its naval supremacy, that include 11 aircraft carriers. The South China Sea and the waters surrounding Australia fall under the jurisdiction of the US Indo-Pacific Command. In response to China's aggression, the U.S. deployed five aircraft carrier fleets to the region, signalling a serious effort to contain Chinese expansionism.

Caught in the middle, Australia found itself balancing between economic dependency on China and longstanding security ties with the United States and the United Kingdom. This delicate equilibrium was tested as geopolitical tensions escalated.

The QUAD Alliance and Australia's Changing Stance

The QUAD (Quadrilateral Security Dialogue)—consisting of the U.S., Japan, India, and Australia—emerged as a strategic initiative to counter China's influence in the Indo-Pacific. Its roots can be traced back to the 2004 Boxing Day Tsunami, when the four nations cooperated in relief efforts. President George W. Bush saw potential in formalizing this partnership into a strategic alliance.

Initially, Australia hesitated to fully engage with the QUAD due to its deep economic entanglement with China. However, China's rejection of International Court of Justice rulings and growing regional assertiveness post-2016 pushed Australia to reconsider. By 2017, Australia began to align more openly with QUAD objectives, acknowledging the risks of an unbalanced power dynamic in the Indo-Pacific.

COVID-19: A Turning Point in China- Australia Relations

The COVID-19 pandemic marked a dramatic turning point in Australia-China relations. In April 2020, then Prime Minister Scott Morrison publicly called on the World Health Organization (WHO) and the United Nations (UN) to investigate Chinese wet markets, believed to be potential sources of the virus. China reacted sharply, warning of economic retaliation, including the potential suspension of imports like beef, wine, and education services. This diplomatic fallout signified a profound shift. What had once been a cooperative economic relationship quickly descended into suspicion and estrangement.

Australia's Evolving Threat Perception amid South China Sea Tensions

The 2016 arbitration ruling by the International Court of Justice in favour of the Philippines over China's territorial claims in the South China Sea marked a critical moment in the Indo-Pacific's strategic landscape. China's outright rejection of the ruling has since influenced regional threat perceptions — particularly for countries like Australia. As tensions escalate with Chinese aggression toward Taiwan, the Philippines, Japan, and Vietnam, Australia finds itself in a precarious position. ***Any military conflict triggered by China could invite US-led retaliation, possibly dragging Australia into a direct confrontation and placing it squarely in the crosshairs of Chinese missile capabilities.***

Geopolitical Realities and China's Economic Leverage

Despite China's assertiveness in territorial disputes, its deep economic entanglement with the global economy is a major restraining factor. Over the past three decades, China has transformed itself into the world's manufacturing

engine, producing and exporting everything from electronics and machinery to pharmaceuticals and plastics. It now accounts for about 15% of global trade.

Yet, this global positioning could be undermined by a military misadventure. The Russian invasion of Ukraine — and the subsequent international sanctions — serve as a cautionary tale. During the COVID-19 pandemic, supply chain disruptions originating from China spurred global efforts to diversify trade routes and production bases. Initiatives by strategic groupings like the QUAD have focused on creating China-free supply chains across the Indo-Pacific.

Given these risks, China may not seek immediate full-scale war, especially in the South China Sea. However, Beijing continues to pursue a strategy of intimidation, evident in its naval and air-force incursions near Taiwan and aggressive moves against fishing vessels of neighbouring countries. The US, in response, maintains regular military patrols in the area to ensure freedom of navigation.

China's long-term strategy, as publicly stated by President Xi Jinping, includes preparing the military for a Taiwan takeover by 2030 — a timeline that has heightened global alertness, especially in Australia.

Australia's Strategic Dilemma

Australia's dependence on alliances with the US and the UK effectively binds it to any conflict involving Taiwan or the South China Sea. Should the US and UK engage in direct military conflict with China, Australia would likely become a launch pad for allied operations — inevitably inviting Chinese retaliation on its own soil.

In other words, Australia has no viable option to remain neutral in the event of a large-scale conflict.

India's and Japan's Limited Role in a Regional Conflict

While NATO's support to the US and the UK in a Taiwan-related conflict is certain, the same cannot be said for India. India's 3,000-kilometre disputed border with China and its focus on the Indian Ocean may hinder its direct participation in a South China Sea confrontation. Both India and China would prefer to avoid sparking simultaneous land-based and naval conflicts.

Similarly, Japan faces significant constraints. Its economy is closely tied to China, and its geographic proximity — only 740 km from Chinese territory — makes it more vulnerable than Australia, which is over 4,000 km away. ***While Australia could be hit by long-range ballistic missiles (harder and costlier to deploy), Japan is within range of various Chinese short and medium-range missile systems.***

Thus, two of Australia's QUAD partners, India and Japan, might have more pressing strategic concerns than rushing to Australia's aid in case of a regional conflict. This is one of the many reasons why the QUAD itself has so far avoided any move that can make it look like a military grouping.

AUKUS: Building Australia's Defence Capabilities

Recognizing this vulnerability, Australia, the UK, and the US established AUKUS in 2021. This trilateral pact aims to give a boost to Australia's military modernization through the transfer of advanced military technology — most notably,

nuclear submarine capabilities. These submarines, expected to be deployed by the early 2030s, will place Australia among a select group of nations with nuclear-powered naval assets.

The AUKUS charter also includes cooperation in missile technology, artificial intelligence, cyber warfare, and quantum computing. American & British submarines will begin rotating through Australian ports by 2027, with Australia acquiring its own US-made submarines in the early 2030s and UK-designed models in the late 2030s. However, whether these submarines will carry nuclear warheads remains classified.

This partnership marks Australia's most serious attempt to prepare for military contingencies, though it still has a long way to go.

The Limitations of Conventional Preparedness

While nuclear submarines offer deterrence, they do not bridge the gap in conventional capabilities. In the likely event of a conventional, non-nuclear conflict, China may target Australian military infrastructure through missile strikes, air raids, and naval operations. Critical facilities such as radar systems, airfields, army bases, and naval ports could be hit in the opening days of a conflict.

Australia currently lacks the military depth to withstand or respond effectively to such an offensive.

Defence Upgrades and Retaliatory Options

In recognition of these risks, the Australian government began updating its defence arsenal in 2023. It is acquiring the Israeli Barak-MX air and missile defence system (range: 70–100 km) and the Norwegian NASAMS system (range: 30 km), which are designed to intercept a range of airborne threats including UAVs, helicopters, and incoming missiles.

Australia is also acquiring 200 Tomahawk cruise missiles from the US. These long-range missiles (1,700 km range, 450 kg payload) can target both ships and land-based installations, significantly enhancing Australia's retaliatory strike capacity.

However, Australia's vast distance from China means that land-based missiles would be ineffective for deep strikes. In this context, nuclear submarines — capable of stealthily navigating Chinese waters and hit its military targets deep inside Chinese territory— emerge as Australia's most potent retaliatory tool.

Inventory Gaps: A Cause for Concern

Despite these steps, Australia's existing military capacity falls far short of what's needed. According to the 2024 Global Firepower Index, China commands a massive fleet of 2,478 military aircraft, compared to Australia's 228. Similarly, the Chinese navy possesses 730 vessels, while Australia's Royal Navy has just 43.

Ideally, a wealthy and yet strategically vulnerable nation like Australia should have developed a fleet of at least 500 combat aircraft and 150 naval vessels over the past two decades. That it hasn't is a reflection of complacency bred by long-standing reliance on powerful allies.

The Risk of Over-Reliance on the US and UK

Australia's over-reliance on the US was starkly exposed during Donald Trump's presidency, when he suggested that allies should pay more for their own security. While President Biden has reversed many of Trump's policies, Australia has come to realize that US military support isn't guaranteed. With US forces potentially stretched across multiple theatres — from Eastern Europe to the Middle East — Australian planners must consider the possibility that help may be delayed or diluted in times of crisis.

The ongoing US military support to Ukraine and involvement in the Israel-Hamas conflict show how multiple global commitments can limit America's capacity to intervene forcefully for Pacific security.

The Way Forward

Formulating a robust national defence strategy is a complex task, typically handled by policymakers and military strategists. However, certain broad recommendations can be proposed to enhance Australia's military preparedness and capability, especially given the growing strategic challenges in the Indo-Pacific region.

Naval Strategy:

Australia faces a notable gap between its existing naval assets and operational demands. To address this, the Royal Australian Navy (RAN) should focus on enhancing its submarine fleet. Drawing lessons from the Cold War, where the Soviet Union effectively challenged NATO using nuclear submarines despite lacking aircraft carriers, Australia could benefit from a similar approach. Reconsidering a partnership with France for conventional Scorpene-class submarines, or acquiring vessels of comparable capability, could complement its nuclear program. A fleet of around ten modern conventional submarines would significantly boost maritime security and act as a credible deterrent.

Air Power Enhancement:

Acquiring long-range strategic bombers such as the American B-1 Lancer and B-2 Spirit is another avenue to shift regional power dynamics. These aircraft, when armed with advanced long-range missiles, can serve as powerful deterrents, capable of striking fear into adversaries. The exact numbers and deployment strategies should be decided by military experts, but their inclusion would substantially enhance the Royal Australian Air Force's capabilities.

Strengthening the Army:

Although Australia's geography as an island nation might reduce the need for large troop movements across borders, the current army strength of approximately 50,000 is considered insufficient. A force between 75,000 and 100,000 would be more appropriate, given the nation's size and strategic needs. Strengthening infantry units with advanced weaponry such as shoulder-launched Javelin missiles, bolstering artillery units, and integrating AI-powered reconnaissance and attack drones can significantly improve battlefield efficiency. ***Notably, the Army remains Australia's last line of defence.***

Development of Special Forces:

Australia should also invest in expanding and enhancing its Special Forces, both in the army and navy. Special Forces play a crucial role in modern warfare, particularly in high-risk, strategic operations such as deep penetration behind enemy lines. Their agility, expertise, and force-multiplying capabilities can often determine the outcome of conflicts and act as a strong deterrent.

Coastal Defence and Surveillance:

Securing the coastline should be a top priority. This can be achieved by fortifying coastal defences with advanced radar systems and long-range missile batteries capable of neutralising enemy ships from up to 500 kilometres away. Equally vital is the development of satellite reconnaissance capabilities to enhance early threat detection and situational awareness.

Conclusion

Global respect, as in nature, often stems from strength. Nations that can defend their borders independently gain admiration and command caution from their adversaries. Historical examples like Britain's victories in the Battle of Trafalgar and the Battle of Britain showcase how decisive leadership and strategic innovation can overcome superior enemies—achieved without external assistance.

Australia must now adopt a similar mindset. Moving away from reliance on allies, the nation should embrace a strategy grounded in self-reliance and proactive defence enhancement. This will require sacrifices and a reallocation of resources towards modernising its military.

True national security stems not from promises of allied support, but from a country's own ability to defend itself. Ultimately, the survival and integrity of democracies depend on their capacity for self-defence. Australia must decide how far it is willing to go to reinforce its military might. The cautionary tale of Ukraine, which depended heavily on Western support, underscores the risks of over-reliance on allies.