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**ILLUSORY IMPERATIVES: AUKUS
COMMITTS US TO FUTILE WARS; AN
INDEPENDENT DEFENCE IS POSSIBLE**



Trident submarine control room (also known as the Attack Center), USS Alaska, Naval Submarine Base Bangor, Washington. This area contains the boat's two periscopes, the Control Station from which the planesmen adjust the submarines motion, and various communication, sonar, navigation and weapons control systems. Some of the instruments seen in this photo have Velcro-mounted leather covers to conceal the classified range of depth and speed on the dials from visitors without security clearance.
Paul Shambroom, 1992.

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In an April 2023 interview with Nine Entertainment, Vice Admiral Mark Hammond, the Chief of Navy, urged Australians to ignore ‘hand-wringing’ doubters of the AUKUS pact. Hammond ‘implored Australians to see it as a nation-building endeavour on a par with the original creation of the Snowy Mountains Hydro-electric scheme’. He said that the ‘national psyche should be proud of its track record of tackling complex challenges and setting global standards’.

AUKUS: A NATION-BUILDING ENDEAVOUR?

The comparison with Snowy Hydro deserves closer scrutiny.

The Snowy Mountains scheme was one of the largest and most complex engineering projects in the world. It diverted the waters of the Snowy River through tunnels in the mountains and stored it in dams, and then used those water flows to create electricity. It stimulated the Australian economy and created an industrial base for national security after the Second World War. The Labor government of that era implemented plans for full employment, created public housing and announced it would take in 70,000 immigrants each year. It harnessed the impetus of wartime manufacturing to encourage postwar industrial production. One of its most recognisable features was the manufacture of the first all-Australian car, the Holden, in November 1948. The Snowy Mountains scheme was a crucial driver of an expansive and constructive period for the Australian economy and Australian culture.

By contrast, AUKUS is an investment in US shipyards rather than the Australian economy. We are not buying submarines so much as subsidising the US Navy’s submarine budget. Some submarines will eventually be located in Australia, with Australian flags and some Australian personnel, but they will be essentially US boats operated in the great-power interests of the United States. Australia is financing the expansion of US submarine manufacturing capacity.

There are better alternatives. Air-independent propulsion (AIP) submarines convert chemical energy into electric power at high efficiencies, go as deep as nuclear-powered submarines, and can spend up to three weeks underwater without having to surface to recharge their batteries. They can lurk in an area for months. Their hydrogen fuel cells and Stirling engines are much quieter than those of nuclear-powered submarines, which have large meshing gears between their steam turbines and propellers and

must also keep their reactor cooling pumps running. Japan, South Korea, Singapore, Norway, Sweden, Germany, Spain, Portugal and Italy use AIP submarines, as does Israel, a nuclear-capable state.

AIP submarines are considerably cheaper than nuclear-powered boats, meaning many more could be purchased, creating more local maintenance jobs throughout their lifespans. As former submariner and senator Rex Patrick has argued, Australia could have twenty modern off-the-shelf submarines built in Australia and enhanced by Australian industry for \$30 billion. They would free up funds, as Patrick went on, to acquire more fighter jets, a \$40 billion industry resilience package, a national shipping fleet, long-range rockets and other artillery systems, utility helicopters, shoulder-fired anti-aircraft missiles, and more.

By contrast, the eight nuclear-powered boats will cost up to \$368 billion. They are a good choice if the aim is to join the United States in projecting power against China in its own neighbourhood, far from Australia. But this aim can hardly be disclosed to the Australian people. It must be hidden under a blanket of pretexts such as ‘nation-building’ and protecting sea lanes and submarine cables.

PROJECTING POWER AGAINST CHINA

The submarines will be part of a suite of equipment designed to project power against China. Another widely used device—largely unreported in the media—is the expendable waterborne sensor called a sonobuoy. Three feet long and weighing less than four kilograms, it consists of a hydrophone (a microphone designed to operate underwater) mounted on a flotation device and carries a radio transmitter that transmits sounds detected by the hydrophone to an aircraft. Australia and the United States airdrop sonobuoys by the thousands to detect other countries’ submarines.

RAAF Edinburgh in South Australia is the home base of Australia’s maritime surveillance aircraft, the P-8A Poseidon. A modified version of Boeing’s 737-800, the Poseidon is used to drop sonobuoys in the South China Sea. Twelve Poseidons are operated by No. 11 and No. 292 Squadrons, part of 92 Wing. A sonobuoy can be hand-launched over the side of a ship, but more often it is airdropped with a parachute to slow and stabilise its descent. Its battery is energised when it hits salt water, with carbon dioxide gas inflating a float and suspending it on the surface of the water. The sensors are then released to specified depths. The P-8A Poseidon carries a cache of 120 sonobuoys, each with a battery life of about eight hours. In October 2022, the US Navy placed a US \$5.1 billion order for sonobuoys for the next five years. At historical prices, that means around 5 million sonobuoys, or 1 million per year.

Sonobuoys allow the detection of acoustic noise from a submarine's turbines, propellers and other machinery, water flow over the hull of a vessel once it goes above ten knots, propeller cavitation (which occurs when a high propeller speed creates bubbles in the water) and noises made by the crew inside the submarine. Each ship or submarine has an acoustic signature akin to a sonic fingerprint. The signatures collected by the sonobuoys are added to a library of signatures that enable vessel classification and identification of activities and capability. Maritime surveillance involving sonobuoys has to be conducted regularly because the acoustic signatures change when a vessel's load changes, as well as due to age, wear and tear, changes in water temperature, variations in depth and salinity, and the nature of the seabed.

The goal is to enable US hunter-killer submarines to trail and sink Chinese vessels at the outbreak of hostilities. This is no secret to the Chinese military. But it is a secret to the Australian public, who are told that we are involved in 'freedom of navigation'. That phrase conjures up images of Matthew Flinders or Dora the Explorer, not target acquisition against Chinese vessels. Secrecy and mystification protect the Australian government from democratic accountability and from debate as to how the defence force should be used. But this is not national security in any meaningful sense.

AUKUS'S TWO BIG ASSUMPTIONS

It is important to understand that Australia initiated the AUKUS pact. The United States did not impose it. AUKUS reflects Australian policy planners' assumptions that US internal political stability and the US-led global order will endure into the 2070s. Policy planners who have coasted in the slipstream of American power for their entire careers are unwilling to countenance an alternative to US primacy. These are heroic assumptions, however. The multiple contradictions of internal US politics would give a more sceptical observer pause for thought.

In recent years the United States has developed a sharply polarised domestic landscape and the prospect of democratic erosion. The US Constitution, written in the eighteenth century, entrenched a distinctly pro-rural bias into America's political institutions in order to encourage smaller states to ratify it. Today, rural voters possess electoral strength out of all proportion to their number. Their growing unity as a voting bloc and their pro-Republican Party sentiments give the Republicans a distinct advantage in the House of Representatives. In the Senate, states containing as few as 17 per cent of the population can theoretically elect a Senate majority because the least populous states—heavily rural in composition—are overrepresented as never before. Democrat voters' tight urban clustering

leaves them disadvantaged by the growing unity of rural Americans as a voting bloc. Since the problem is unresolvable within the current Constitutional framework, the pro-rural bias contains the seeds of a major political crisis. Australia's dependence on nuclear-powered submarines implies long-term political alignment with the United States, potentially tying Australia to an illiberal, unreliable power that changes its stance from one administration to another.

What about a US-led global order? Here, too, doubts arise. The world is very different to the 1990s, when the Soviet Union dissolved itself and the United States emerged as the sole superpower. Today, by contrast, we are entering a multipolar world. 'Active Non-Alignment' is being proposed for Latin America. Economic and political geographies are changing. Saudi Arabia has rejected US requests to lower the price of oil and applied to join BRICS—the group that includes Brazil, Russia, India, China and South Africa and accounts for 42 per cent of the world's population. Other countries have expressed an interest in joining too, including Argentina, Algeria, Bahrain, Egypt, Indonesia, Iran and the United Arab Emirates. The BRICS countries are trying to forge closer trade relations through inter-bank agreements, currency-swap accords and an increase in intra-BRICS trade in local currencies to reduce reliance on the dollar.

China's own mode of development and international relations aspirations are representative. It recently brokered peace talks between Iran and Saudi Arabia, although it does not have a military base in either country and nor is it their main weapons supplier or provider of any security guarantees. Its diplomacy is very different from the US model of mediation. Despite its internal authoritarian system, China has shown no desire to impose a distinctly Chinese political system on the wider world. It has no proposal for an alternative, Beijing-dominated set of institutions and remains strongly committed to the UN system. Its Belt and Road Initiative operates alongside longstanding Western-funded development programs, not as a replacement for them.

Graham Fuller, the CIA's former head of long-range strategic forecasting, says that China's outreach to all countries where mutual benefits are to be gained makes it an attractive partner at a time when 'the number of countries with which the US cannot seriously engage grows ever larger'. He observes that ever since the 1990s, the United States 'has been obsessed with doing everything it can' to maintain its status as the 'world's sole superpower', even as the world changes. The United States thus offers a 'what can only be described as a fundamentally negative geopolitical vision: do what it takes to block Chinese and Russian influence in the world in a desperate attempt to prove that we can still call the shots'. By contrast, China 'seems to be finding fertile ground to play as a more pragmatic, non-

ideological global diplomat'. Important aspects of Australian diplomacy are aligned with the negative geopolitical vision of the United States; at the last UN meeting in 2022, Australia voted against calls for a democratic, equitable international order issued by large parts of the developing world.

DE-DOLLARISATION?

Despite emerging multipolar aspirations, the US dollar continues to dominate global trade, including bilateral trade not involving the United States. It remains the world's preferred currency, accounting in late 2022 for 60 per cent of central bank reserves, compared with the euro's 20 per cent, and the yen's six per cent. The pound, the Chinese renminbi, and the Canadian and Australian dollars individually represent less than 5 per cent of government reserves. In the global market for oil, the world's most traded commodity, most contracts are denominated in US dollars even when neither the barrels of crude nor the parties trading them have any connection with the United States.

Since some of China's important oil suppliers (Russia, Venezuela and Iran) have been sanctioned by the United States, it needs to buy oil denominated in other currencies. So do other countries that want to avoid US sanctions. In these cases, countries denominate bilateral trade in dinars, rupees, renminbi, roubles and so on. But for China to globalise its currency, it would have to do more than pay in renminbi. Other countries would have to trade multi-laterally in renminbi as well, and then hold the proceeds in renminbi, not the US dollar. Achieving global currency status means opening up your capital account and liberalising your financial system. As Michael Pettis points out, China would have to give up control of its current account, accept large, persistent deficits, grant rule-of-law supremacy to property rights, and treat foreign owners the same as Chinese owners. Not only is this not the case now, China hasn't even been moving in that direction.

Despite excited commentary about de-dollarisation, the Chinese yuan is essentially used only in transactions involving China. For the dollar to lose its centrality, the United States would have to tax financial inflows that do not lead directly to productive investment in the US economy. Thus far it has rejected such capital controls. By contrast, China insists on capital controls, which makes its domestic financial market far less liquid than the dollar and the renminbi unattractive to international investors. This is a deliberate choice because it values stability—currency stability, financial stability and political stability—rather than global hegemony.

THE 'GIFT' OF SANCTIONS

China provides an attractive model for the Russians, some of whom do not mourn their country's isolation from Europe. As Anatol Lieven says,

they are becoming impressed with the Chinese model: a tremendously dynamic economy, a disciplined society and a growing military superpower ruled over with iron control by a hereditary elite that combines huge wealth with deep patriotism, promoting the idea of China as a separate and superior civilisation.

Russia is likely to drift further into China's orbit, supplying raw materials, while China connects more and more of the world via its Belt and Road Initiative.

Ironically, the economic sanctions imposed on Russia may have helped its planners reimagine their destiny. Before the February 2022 invasion of Ukraine, foreign corporations had penetrated Russia's economy in almost every sector except the military. Neoliberal ideas were dominant, propelled by Western-oriented oligarchs. Advocates of reindustrialisation under a mixed economic model, such as the Russian Academy of Sciences and the Free Economic Society, lacked influence.

Economist James K. Galbraith has remarked that breaking the grip of non-Russian actors on Russian economic life would have required 'extra-legal measures reminiscent of a mafia state' such as tariffs, quotas, foreign ownership restrictions, even expulsions of certain enterprises. There 'would have been extremely, and justifiably, harsh' condemnation from the West. While the economic sanctions have imposed costs, Galbraith concludes that they were also 'a gift'; given Russia's large, resource-rich, technically proficient economy, the sanctions have had the effect of enabling 'a strict policy of trade protection, industrial policy, and capital controls' that the Russian government 'could not plausibly have implemented, even in 2022, on its own initiative'.

COLLISION COURSE

AUKUS is not an investment in Australian nation-building but in the materials, products and services that enable the war-fighting capabilities of the United States. Its aim is to uphold US global primacy for the next fifty years, which is how long the nuclear-powered submarines are expected to be in operation. Technical identification of Chinese submarines under the pretext of 'freedom of navigation' keeps the public in the dark about the nature and extent of our military operations. Long-term interoperability with the US Navy implies long-term political alignment with the United States. But it is increasingly clear that the assumptions that have underpinned Australian strategy for the past thirty years require serious re-

examination. The United States may not be able to heal its domestic fractures, let alone prevent the emergence of a democratic and equitable international order. AUKUS signifies a commitment to a world order that planners would like to see, not one that is actually emerging. Faith may collide with reality, and reality will win. It always does.



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