It is a great privilege and pleasure to be here this evening to give the keynote speech at this celebratory dinner for the 50th Anniversary of the Strategic & Defence Studies Centre.

Let me offer my congratulations on the Centre’s 50th anniversary. I think the conference topic, ‘New Directions in Strategic Thinking 2.0’, is absolutely the right question to be exploring.

It is good to see so many familiar faces here tonight. Some people here I have worked with, and they have given me immeasurable help and guidance over the years. Others I know because I have read their work and pondered and learned from it.

I speak not only for myself but also on behalf of Defence when I say that the SDSC has made a huge contribution to strategic policy-making in Australia over many years, a contribution of incommensurable value to Australia. From my perspective, it has enriched the policy environment and deepened understanding of the world we live in and the nature of the choices that we make as we find our way in that world. Long may it be so.

To speak before such an illustrious audience is a daunting prospect. I am very conscious that almost anything I might talk about is likely to be familiar ground to many here.
I am not going to talk about recent Defence White Papers, or the South China Sea, or the emerging Indo-Pacific. If you are looking for advice on government policy, there are plenty of documents available. If you are looking for an expert commentary, there are people in this room better qualified than me.

What I would like to talk about is the importance of strategy and its value to large institutions—and most especially one I know intimately, the Department of Defence.

But first I would like to digress with a couple of anecdotes to set the framework for my discussion.

Many years ago, I was haunting a bookshop somewhere in Little Collins Street in Melbourne, a bookshop that no longer exists, which sold books that were well beyond my price range at that time. One day when I was there, I came across a book that had just been published. It was called *The Plains* by Gerald Murnane.

For some reason, I purchased it—spending more money than I could afford—and took it home and read it. It was one of those books that turns you five degrees off centre from the rest of the universe and gives you a completely different picture of the world. Nothing is quite the same after reading it. I think it is one of the greatest Australian books, and it has never left me.

The story is simple enough. A young man who describes himself as a filmmaker decides to leave Outer Australia and journey to a place called Inner Australia.

Inner Australia is the landscape of the plains where a vast and complex culture has been built and sustained by a wealthy landholding aristocracy. These landholders are patrons of the arts and sciences. They are obsessed by the landscape of the plains, which is their landscape. They devote endless resources to discover the true meaning of the plains, to get an understanding of what they really are, for in knowing the world, their world, they will know themselves. They also know their quest is endless and perhaps futile.

The filmmaker meets these landowners and goes through a process of auditioning. Eventually he is employed by one of the landowners to be a resident filmmaker on his estate. The landowner expects nothing from this filmmaker, but believes that he might one day be capable of ‘seeing
what was worth seeing’. The book then describes the filmmaker’s life thereafter. Needless to say, no film is ever made, but the filmmaker goes into an endless and enriching exploration of the plains in this place called Inner Australia.

The book struck me with the force of revelation, for even though it was clearly a work of fantasy or speculative fiction, it described to me absolutely the reality of Australian culture in the world that I was living in. What I realised was that there is a world, but there are many different ways of describing it, and that these can create a richer sense of reality because the process illuminates what might not have been seen. The book is very rich and can be considered in many different ways, but the opposition set up between an Outer Australia—an Australia that is self-satisfied and feels that it knows reality—and an Inner Australia—where the culture is devoted to finding the meaning behind appearances—is worth reflecting on. I will come back to this, but I believe that the work of strategy is the work of this Inner Australia.

My second anecdote relates to my recent visit to Exercise Hamel, a large army exercise that took place in Cultana, a bleak and beautiful place in South Australia. I visited the exercise and had fun seeing what the army does when it is being itself.

In the exercise headquarters, the place where the exercise was managed, I saw a map on the wall which was very familiar to me—it hangs in my office—except that just north-east of the archipelago to our north was another country called Kamaria.

I spent some time contemplating this map, the geography and contours of this imaginary country inserted in a real world, and I remarked to one of my companions that there was an enormous amount of strategic policy history embedded in that simple map. One of the generals said to me: ‘They’re tough, those Kamarians. We’ve been fighting them for 40 years.’

What intrigued me, and continues to intrigue me, is how in order to understand ourselves better we construct an imaginary country against which we define ourselves and test our ideas.

I work in an organisation called the Department of Defence that does many different things every moment of the day. It never sleeps. It never stops. It is relentless. It has its own imperatives and appetites. It has
a personality and life independent of those people and organisations that contribute to its being. It is what it is and, in its deepest dreaming, has no desire but to be what it is.

Most of my work is an attempt to help manage this vast enterprise. The practical reality is that I make lots of micro decisions or supervise the work of others who also make decisions or provide advice to more senior decision-makers.

In this world, strategy can be a distant reality, a quiet voice behind the noise and clutter of the daily routine. Yet I never forget what one of my teachers once said to me: ‘Listen to the quiet voice!’

The essence of my management task, as is also that of my colleagues, is to ensure that what this organisation does conforms to government policy and embodies in its activities the strategy that the government has signed up to in its policy documents. These include, most importantly, the White Paper and the subsidiary documents that flow from it, such as the *Defence Planning Guidance* and the *Australian Military Strategy*.

What I have seen over the years is a continuing tension between the imperatives of the institution, its personality and its own desires, to speak metaphorically, and the requirements of government as expressed in policy and strategy. In this sense, strategy is the quiet voice that calls the organisation away from itself and requires that it look out into the world and respond accordingly. For this reason, the strategic policy function is central to organisational health and well-being and is critical if the organisation is to remain relevant.

One of the features of the current environment is that there is an overwhelming emphasis—and rightly so—on sustaining operations. The challenge is to step back from this immediacy to reflect on the nature and meaning of the larger story that we are telling through what we do. The institution will tell its own story if left to itself. The task of strategy is to make it listen and understand that the reality it sees itself as part of can have many dimensions and actually be something other than what it thinks it is.

We do not have many strategists in Defence. That is not a bad thing, as long as we listen to what they are saying. This I think is the hardest part of working in a large organisation. It is developing the capacity to listen to the other voice—to journey into Inner Australia, so to speak.
What are we doing when we do strategy?

When I reflect on the strategic history of Australia filtered through the development of the Defence organisation, along with the successive documents to chart that development—primarily White Papers—what I hear is an ongoing conversation. It is a conversation about who we are. It is a conversation about what sort of country we are and how we should participate in the world. This conversation takes expression in the capabilities we build, in our operational commitments and in our relationships with other countries.

I could trace the history of strategic thought over the time I have been associated with the Department of Defence. Its main narrative arc goes something like this: in the time after the Vietnam War, we started the process of thinking of ourselves as a strategic entity separate from the larger system in which we had participated since Federation. There were many debates, some still alive today. This thinking expressed itself in a policy and a strategy that was called self-reliance and had many dimensions in terms of how we organised the department, began the work of building the modern ADF [Australian Defence Force], and participated in the world.

This was essentially a nationalist project, and an important one. I also think it was part of a larger project of Australia rethinking its place in the world in the post-Vietnam era. The intervention in East Timor might be seen as an expression of that policy and strategy and the arena where its strengths and flaws were highlighted. It is a strategy that has never gone away.

Since Timor and particularly since 9/11, our governments have pursued a fairly active engagement of the ADF in many different parts of the world. This reflects, I think, a sense that Australia has global interests and needs to support them, including through the use of the Defence Force. Our strategy in this context might be seen as a response to globalisation and an attempt to respond to some of the more malignant forces unleashed by globalisation in ways that support our national interests. Whether our strategy has been sufficient for the environment we are in is a debate for another time.

I see the recent White Paper as a culmination of a journey that began decades ago in that it seeks to recognise that Australia is not only a country that lives geographically in the Indo-Pacific, but also has trading
and national interests that extend across the world. How we balance the local with the global is an enduring tension in policy-making and strategy development. It is the location of most serious debates about defence policy.

So I see our strategic thinking as partly the telling of a story about who we are and, more importantly, who we think we are. It is a story that never ends, but will evolve and be reinterpreted over time as events occur and we respond. Most importantly, it is a story we tell both through what we say and what we do.

I am not one of those people who says that the current environment is more difficult or more challenging than the environment faced by our predecessors. I think that is simply being arrogant and historically myopic. Each time has its own demands, and every strategic challenge is new to those who have to face it. However, I do believe that we are in one of those moments in history where we are moving from one world to another. The strategic challenge before us is to make the transition successfully.

When you are confronted by a genuinely strategic decision, or there is a genuine strategic change in the environment in which you are, the challenge is not just a challenge of how you might respond to that environment by taking various forms of action. It is also a challenge to your self-conception, to your sense of who you are and who you might be. This is why strategic choices are hard and, I think, difficult for our institutions, which can grow comfortable with a sense of things as they are.

It is also why doing the work of strategy is hard. And it should be hard, really hard—emotionally, as well as intellectually.

Many of the contemporary challenges to security are also challenges that go to our sense of what sort of country we are and what we need to become. Some of these challenges have the potential to render the assumptions upon which we take action redundant or meaningless.

To take some examples:

- The assumptions that underpinned the current rules-based global order are increasingly being challenged, and are increasingly challengeable.
- Military power is increasingly a commodity, and the ability to generate strategic effects is being democratised. We have all seen what one person with a semi-automatic weapon can do.
• We cannot assume that all players in our strategic environment are rational, or that they share our assumptions about how the world and conflict should be managed.
• It is not so easy any more to distinguish between the world within our national borders and the world outside.
• We are seeing genuinely transformational technologies—cyber, quantum computing, autonomous systems, and so on.

The task of strategy is more complex because it has to speak to many different realities and many different perceptions of what reality might or should be. It has to do this in a way that helps policy and decision-makers thread their way through to a course of action or decision.

Our response to these challenges, along with others that will emerge in coming decades, will change us. How do we understand and manage that change while also responding to what the world brings? Some of our choices will be constrained by our self-conception. We need to understand this as well.

What I worry about is whether we are truly seeing reality. Our institutional imperatives are, in my experience, so potentially powerful that they can blind us to aspects of the world that we live in. Do we prefer to be what we are rather than to consider what we need to be if we are to respond to contemporary realities? What are the costs of the choices that we might need to make, and do we really understand what those choices are? In a world of wicked problems—and strategic problems are all wicked—do we prefer our tried and true solution sets rather than seeing what is worth seeing?

When I looked at that map at Exercise Hamel and saw the country of Kamaria, I asked myself a question. In creating an imaginary country that we have used to define and test ourselves against, have we simply created another reflection of what we are and what we are comfortable with being?

When I think of that young man in that imaginary world of the plains commencing his lifelong journey to discover the true meaning of the plains—an impossible but necessary quest—I see it as a wonderful metaphor for the work that all of us do. I am most of all taken by the landowner’s implicit request that he come to see what was worth seeing. The landowner understood that this might be the work of a whole lifetime.
Sometimes when I read the work of people who do strategy, including people at the Strategic & Defence Studies Centre, the practical administrator in me gets irritated because it just complicates my decision-making and I prefer a smooth and easy life. It puts in front of me those most terrifying of all questions for an administrator: Have I got it right? Is what we are doing making sense? Do we really understand what we are dealing with?

When I am in a better, less harassed mood, I appreciate how valuable that work is. And I treasure it.

Sometimes I look at much of the writing on strategy, and it is like wandering through a library of books about things that have never happened. Sometimes it is quite a strange experience to read these forlorn prophecies that have never come true. Yet, despite this, how important it is that we have these works of imagination, these documents of grim speculation and melancholy advice. They can be books of magic. Sometimes the writing of them ensures that what they talk about does not occur. They intersect with reality to help us understand that the reality is more complex and more multidimensional and has more that is imponderable than we are ever quite comfortable with. They help us make choices that change reality.

This conversation, which we call strategy-making, helps us understand the world around us and helps us understand the consequences of the choices that we might make or not make. It helps us change the world.

So, to the Strategic & Defence Studies Centre, let us have another 50 years of thinking and conversation and research.

Continue the great work of building a strategic conversation in Australia about who we are and what we might become.

Help us understand the choices and pathways that might take us there.

Help us to see what is worth seeing.

Brendan Sargeant
Associate Secretary
Department of Defence
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