

Chapter 1

Australian Policymaking and the East Timor Crisis

An Under-Explored Topic

The East Timor Crisis of 1999 has received considerable attention in Australia. This attention has included accounts of the events and the military operations that year, especially those involving the International Force East Timor (INTERFET).¹ There have been some descriptions and analysis of how Australia's actions in this crisis affected its regional standing,² and one paper about how the crisis was managed between Washington and Canberra.³ There have been numerous books about the rights and wrongs of Australian policy,⁴ and a short but sharp critique by William Maley which focused on the Department of Foreign Affairs and Trade (DFAT).⁵ Unusually, DFAT also produced a book outlining its involvement in this crisis after only two years had passed.⁶ However, as James

1 A comprehensive account of the events of 1999 is presented in Don Greenless and Robert Garran, *Deliverance: The Inside Story of East Timor's Fight for Freedom*, Allen and Unwin, Crows Nest, NSW, 2002. Other major works include Alan Ryan, *Primary responsibilities and primary risks: Australian defence force participation in the International Force East Timor*, Land Warfare Studies Centre, Duntroon, Canberra, 2000; Paul Kelly, *The March of the Patriots: The Struggle for Modern Australia*, Melbourne University Press, Carlton, Vic, 2009, Chapter 35; David Dickens, 'The United Nations in East Timor: Intervention at the Military Operational Level', *Contemporary Southeast Asia*, vol. 23, no. 2, 2001; Bob Breen, *Mission Accomplished—East Timor*, Allen & Unwin, Crows Nest, NSW, 2000; Tim Fischer, *Seven Days in East Timor: Ballots and Bullets*, Allen & Unwin,

St Leonards, NSW, 2000; and Des Ball, 'Silent Witness: Australian Intelligence and East Timor', in Ball, James Dunn, Gerry van Klinken, David Bouchier, Douglas Kammen and Richard Tanter (eds), *Masters of Terror: Indonesia's Military and the Violence in East Timor in 1999*, Canberra Papers on Strategy and Defence No. 145, Strategic and Defence Studies Centre, The Australian National University, Canberra, 2002.

2 For examples, see Cavin Hogue, 'Perspectives on Australian Foreign Policy, 1999', *Australian Journal of International Affairs*, vol. 54, no. 2, 2000; Peter Chalk, *Australian Foreign and Defense Policy in the Wake of the 1999/2000 East Timor Intervention*, RAND MR 1401, Santa Monica, 2001; James Cotton, *East Timor, Australia and Regional Order: intervention and its aftermath in Southeast Asia*, Routledge, London, 2004; and Fran Kelly, 'Alexander Downer on East Timor', *The Howard Years* (website), ABC Television (Australia), 2008, available at <<http://www.abc.net.au/news/howardyears/>>, (see Further Resources: Episode 2 tab), accessed 27 June 2009.

3 Coral Bell, 'East Timor, Canberra and Washington: A Case Study in Crisis Management', *Australian Journal of International Affairs*, vol. 54, no. 2, 2000.

4 For examples, see Lansell Taudevin, *East Timor: Too Little Too Late*, Duffy and Snellgrove, Sydney 1999; James Cotton, 'Against the Grain: The East Timor Intervention', *Survival*, vol. 43, no. 1, 2001; and Clinton Fernandes, *Reluctant Saviour: Australia, Indonesia and the independence of East Timor*, Scribe, Melbourne, 2004.

5 William Maley, 'Australia and the East Timor Crisis: Some Critical Comments', *Australian Journal of International Affairs*, vol. 54, no. 2, 2000.

6 Department of Foreign Affairs and Trade, *East Timor in Transition 1998–2000: An Australian Policy Challenge*, Commonwealth of Australia, Canberra, 2001.

Cotton has noted, even this ‘official’ version of the events surrounding East Timor’s transition to independence failed to pay much attention to the process of Australian policymaking itself.⁷

This study addresses the gap identified by Cotton and aims to improve our understanding of Australian policymaking during the East Timor crisis of 1999. In doing so, this study describes the crisis policymaking system as it existed in 1999, before recounting the events of late-1998 through to the military intervention by INTERFET in September 1999. After that, the study uses Peter Bridgman and Glyn Davis’ Australian Policy Cycle to structure the discussion and provide the baseline for characterising Australian policymaking.⁸ This examination shows how Bridgman and Davis’ typical characteristics of Australian policymaking are modified during crises—which is defined here as ‘a tract of time during which the conflicts within an international relationship rise sharply above normal level, threatening damaging change or transformation’.⁹ From this, the characteristics of crisis policymaking are presented in the concluding chapter. This introduction continues with an outline of the research methodology, especially the Australian Policy Cycle and the sources used, and a description of Australia’s crisis policymaking system as it stood in 1999.

Policymaking and the Policy Cycle

In this study, ‘policymaking’ refers to the process of providing advice to ministers and implementing their subsequent decisions.¹⁰ While this sounds straightforward, Meredith Edwards captured the complexity of policymaking by articulating a number of qualifications:

Policy processes are non-linear; they can move backwards as well as forwards and stages might occur in a different order from the model.

Organisational structures are important to policy development and will influence the process.

Players and networks operating in the process influence policy outcomes.

⁷ Cotton, *East Timor, Australia and Regional Order*, p. 123. Paul Kelly’s chapter on political-level decision-making makes a very useful contribution to our understanding of Australian policymaking in this crisis (Kelly, *The March of the Patriots*, Chapter 35).

⁸ Peter Bridgman and Glyn Davis, *The Australian Policy Handbook*, 3rd edn, Allen & Unwin, Sydney, 2004.

⁹ Coral Bell, *Crises and Policy-makers*, Canberra Studies in World Affairs, no. 10, Department of International Relations, The Australian National University, Canberra, 1982, p. 2.

¹⁰ I am grateful to my friend and colleague, Bob Wylie, for his lucid contribution to this definition.

Political considerations are all-pervading: ‘Good policy processes can tame, but only to a degree, the political process.’¹¹

With these caveats in mind, a policy cycle describes the process in separate, linked steps. These steps usually begin with efforts to identify issues and gather information so that insider experts can present options to leaders who, in turn, may make decisions. Once made, decisions are implemented—often by officials and sometimes by society at large. Other rational models include an evaluation stage, which allows for a return to the start of the cycle or process.¹² The strength of the policy cycle concept lies in its representation of sequential tasks where policy is developed, decided and then implemented. The cyclic design also highlights the process nature of government, describes how knowledge is synthesised, and provides a way to examine actual policy.¹³

This study uses the Australian Policy Cycle as an organising heuristic. When used in this way, the policy cycle structures the analysis and allows each phase to be examined discretely. The Australian Policy Cycle presents these phases as issue identification, policy analysis, policy instruments, consultation, coordination, decision, implementation, and evaluation which—since this is a cycle—returns to the issue identification phase (see Figure 1). This study groups the phases into separate chapters: the early phases from issue identification to policy instruments are grouped under the heading ‘Developing policy advice’; the middle phases of coordination and consultation as ‘Bringing advice together’; and the later phases of decision, implementation and evaluation as ‘Decision and beyond’.

Crisis policymaking—and so this study—is overwhelmingly concerned with process rather than the merits of ‘good or bad’ policy. The activities involved in crisis policymaking may involve efforts to:

prevent crises from occurring, to prepare for a better protection against the impact of a crisis agent, to make for an effective response to an actual crisis (including decision-making), or to provide plans and resources for recovery and rehabilitation in the aftermath of a crisis.¹⁴

11 Meredith Edwards, *Social Science Research and Public Policy: Narrowing the Divide*, Academy of Social Sciences in Australia Policy Paper No. 2, Canberra, 2004, pp. 6–7.

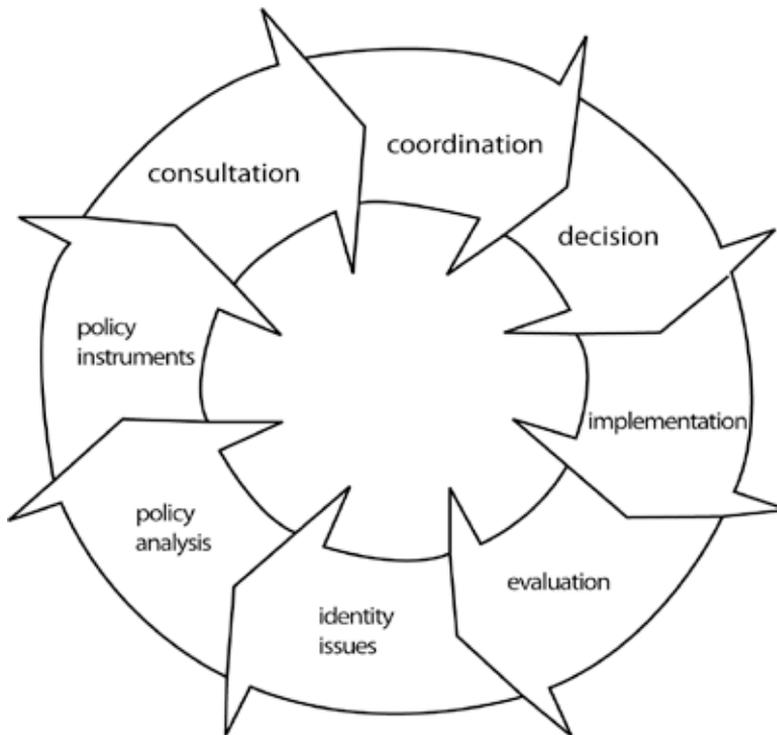
12 For an example of a rational-comprehensive approach to policy, see Yehezkel Dror, *Public Policymaking Reexamined*, Chandler Publishing Company, Scranton, 1968. Another example of a policy cycle can be found in Bill Jenkins, ‘Policy analysis: Models and approaches’, in Michael Hill (ed.), *The Policy Process: A Reader*, Harvester Wheatsheaf, Hemel Hempstead, 1993, pp. 34–39.

13 Bridgman and Davis, *The Australian Policy Handbook*, p. 22–23.

14 Uriel Rosenthal and Bert Pijenburg, ‘Simulation-orientation scenarios: An alternative approach to crisis decision-making and emergency management’, in Uriel Rosenthal and Bert Pijenburg (eds), *Crisis Management and Decision Making: Simulation Oriented Scenarios*, Kluwer Academic Publishers, Dordrecht, 1991, p. 3.

Crisis policymaking is therefore one mode of national security policymaking, which is marked by efforts to counter threats—real or perceived—by changing the policymaking structures and processes in ways that allow government to manage urgent and pressing challenges to its interests and objectives.¹⁵

Figure 1: The Australian Policy Cycle¹⁶



Sources

The new data for this study was a series of sixty interviews conducted by the author with those involved in national security policymaking before and during the East Timor crisis. These interviewees represented a broad cross-section of the bureaucracy—including the Department of Prime Minister and Cabinet (DPM&C), DFAT, the Department of Defence (Defence), Australian Federal Police (AFP), Australian Agency for International Development (AusAID), and the Australian Electoral Commission (AEC)—and included officials who worked

¹⁵ Crisis policymaking differs from Dror's 'policymaking under adversity', although crisis is one type of adverse condition. For Dror, crisis is differentiated from everyday adversity by the time available, suddenness of imposing events and need for rapid decision-making (see Yehezkel Dror, *Policymaking Under Adversity*, Transaction Books, New Brunswick, 1986, p. 181).

¹⁶ Bridgman and Davis, *The Australian Policy Handbook*, p. 26.

at different levels within these organisations. Interviews were also conducted with three ministers (all were members of the National Security Committee of Cabinet—NSCC—in 1999),¹⁷ other political figures, ministerial staff and two officials formerly of United States Pacific Command (USPACOM).¹⁸ Two interviewees provided work diaries from the crisis, which contained valuable information about events and meeting agendas (including notes from 1999 meetings of the NSCC, the Strategic Policy Coordination Group (SPCG), and Defence working groups).

Two main types of written sources were consulted. While the range of official sources about policymaking during the East Timor crisis is presently limited, some evidence can still be gathered from the public record. For instance, the Australian Government has produced one book on the East Timor crisis, which describes the role of the DFAT in the events of 1998–2000. While this book includes a number of important and relevant documents and news releases, it cannot be considered authoritative because official Australian documents are not cited among its sources. A number of submissions and testimonies to a Senate Enquiry on East Timor and Senate Estimates hearings in 1999–2000 also form part of the official record, although they contain little about policymaking process.

The second group of written sources included media reporting, academic articles, and published accounts including memoirs and theses. These sources include some that drew heavily on interviews with key actors,¹⁹ or were written by the actors themselves.²⁰ As expected, these sources represented a wide range of viewpoints and issues, each with a unique focus and bias.

It is certain that new sources will become available as more participants speak of their experiences, or new documents are released. Such information is likely to add to, or perhaps contradict, aspects of this study. As a result, the conclusions presented are necessarily open to challenge, although the record is unlikely to be fully settled for many decades hence.

17 While often called 'NSC' in Australia, this case study retains NSCC to differentiate it from the US NSC.

18 While many interviewees agreed to be identified, some were reluctant because the East Timor crisis is still sensitive in Australia, particularly for those who are currently serving as government officials. These interviewees are identified by an interview number in this study.

19 Such as Ryan, *Primary responsibilities and primary risks: Australian defence force participation in the International Force East Timor*; Greenlees and Garran, *Deliverance: The Inside Story of East Timor's Fight for Freedom*; and ABC Television (Australia), *The Howard Years* (Episode 2), 24 November 2008, available at <<http://www.abc.net.au/news/howardyears/content/s2422684.htm>>, accessed

27 June 2009.

20 Such as Ali Alatas, *The Pebble in the Shoe: The Diplomatic Struggle for East Timor*, Aksara Karunia, Jakarta, 2006; Jamsheed Marker, *East Timor: A Memoir of the Negotiations for Independence*, McFarland and Co, Jefferson, 2003; and Fischer, *Seven Days in East Timor*.

Australia's National Security Policymaking System in 1999

Former Prime Minister John Howard came to office in 1996 with views about the failings of the previous government to manage national security, and some suspicions about the bureaucracy. Interviewee 051-06 recalled:

He wanted to avoid a situation where the prime minister was running and determining everything. He did not think that was healthy. And second, the idea that officials should be running things and have such a strong influence, I think he was suspicious about that, especially because the people who had been working in SPCG and key areas to do with foreign and defence policy had been there for a while under Labor.²¹

Interviewee 052-06 saw another reason for Howard's views:

I think that the prime minister, in a substantial way, felt that Treasury had been too dominant in closing down policy development in the government.²²

Howard also had clear ideas about policymaking in his government. He wanted ministers to have authority and be responsible for implementing policy in their area. He wanted to assert a high degree of political control over policymaking, without asserting complete personal control over everything.²³ According to another interviewee, Howard was not in favour of networks of committees either within the Cabinet or the bureaucracy in most areas of policy as Interviewee 052-06 recalled:

But national security and defence he regarded somewhat differently. Because of the structured nature of the military and because of the way they dealt with issues we looked separately at the way in which coordination was handled.²⁴

What developed over the next three years was a more formalised crisis policymaking system that retained some of its previous flexibility. This section describes the policymaking system in the immediate lead-up to the East Timor

21 Interview with 051-06, by telephone, 31 August 2006. 051-06 was a senior government official with direct knowledge of the East Timor case. A similar view was expressed by Hugh White (Interview, Canberra, 21 December 2005). Professor White was Deputy Secretary Strategy in Defence from 1995–2000. He acted as Secretary of the Department from August–September 1999.

22 Interview with 052-06, Sydney, 27 September 2006. 052-06 is former senior government official with direct knowledge of NSCC, SCNS and the East Timor case.

23 Interview with 051-06.

24 Interview with 052-06.

crisis of 1999. This discussion is conducted by analysing the formal structures for crisis—and national security—policymaking in the political, policy and administrative domains.²⁵ The discussion also shows how the formal model needed adapting when the Australian Government faced a significant national security crisis.

The Political Domain under Howard

Howard created the NSCC immediately upon becoming prime minister. Like previous committees, the NSCC was small and its formal membership was limited to six ministers: the prime minister and his deputy, the treasurer, the attorney general, and the foreign and defence ministers (see Table 1).²⁶

Table 1: The National Security Committee of Cabinet (NSCC) – 1999

Members	
Prime Minister	John Howard
Deputy Prime Minister	Tim Fischer (Jan–Jun) John Anderson (Jul–)
Foreign Minister	Alexander Downer
Defence Minister	John Moore
Treasurer	Peter Costello
Attorney General	Daryl Williams
Officials	
Secretary, DPM&C	Max Moore-Wilton
Chief of the Defence Force	Admiral Chris Barrie
Secretary, Dept. of Defence	Paul Barratt (Jan–Aug) Hugh White (Aug–Sep, Acting) Allan Hawke (Oct–)
Secretary, DFAT	Ashton Calvert
DG Office of National Assessments	Kim Jones

²⁵ The political domain includes Cabinet, Cabinet committees and smaller grouping of ministers and their personal advisers. The policy domain is based on senior officials from ‘traditional’ national security departments such as Defence, DFAT, DPM&C, Treasury and the intelligence community. The administrative domain comprises a variety of interdepartmental and intra-departmental mechanisms. These domains overlap (see Glyn Davis, *A Government of Routines: Executive Coordination in an Australian State*, Centre for Australian Public Sector Management/MacMillan, South Melbourne, 1995, pp. 136–40).

²⁶ Other ministers were co-opted as necessary. These included, at various times, ministers with responsibilities for transport, immigration, justice and customs.

The presence of these senior ministers allowed the NSCC to make important decisions without reference to Cabinet. The NSCC was therefore the 'bridge' of national security policymaking because it was the place of decision and a link between different positions within government.

Ministers would generally make attendance at the NSCC a priority;²⁷ it was an acknowledged decision-making body about important issues and, according to former Defence Minister John Moore, it was 'a very good way of doing business':

It enabled you as minister to put the story in the political sense, and have the technical back-up available at the time. So there could not be any of this stuff that you get in the other portfolios, of 'well that's a great idea but let's have the officials look at it'—that's a great way to defer a decision and it all goes back to square one. ... So in these circumstances decisions could be made at the time.²⁸

Consequently, the senior officials responsible for the advice—and also generally the implementation—became more important to the NSCC as time went on.²⁹ In the period before 1999, attendance by officials followed the Cabinet model, whereby they would be invited for specific items and leave the room while the ministers debated points.³⁰ This mode was changing by 1999, by all accounts due to the influence of the East Timor crisis.

By then, attendance by officials and ministerial advisers was becoming more frequent. With this increased and more diverse presence, NSCC meetings were conducted in a semi-structured way—much like a well-directed seminar.³¹ The prime minister, who would always chair meetings unless he was overseas, would start by asking for an intelligence update from the Director General of the Office of National Assessments (DG ONA),³² and he would ask the Secretary of DFAT and the Chief of the Defence Force (CDF) for their views. From there, discussion would turn to the formal agenda or issues of the day, and this would flow until (usually) the prime minister summarised the discussion and sought agreement or

27 Interview with the Hon. Tim Fischer, Canberra, 1 August 2006. Fischer was Deputy Prime Minister from March 1996 until July 1999. He headed the Australian Parliamentary delegation to East Timor in August 1999.

28 Interview with the Hon. John Moore, Sydney, 29 November 2006. Moore was Defence Minister, and a member of NSCC, in 1999.

29 Interview with 051-06.

30 John Moore gave one example where discussions were 'going to become political' and that a decision could not be made in front of the public servants (Interview, 29 November 2006). Interviewee 051-06 said that the prime minister often 'cleared everyone out', leaving the ministers and maybe his International Adviser in the Cabinet Room.

31 Interview with Paul Barratt, Melbourne, 23 December 2005. Barratt was Secretary of the Department of Defence from 1998 to August 1999 and attended NSCC and the Secretaries Committee on National Security (SCNS). Dr Ashton Calvert described NSCC as 'business-like' (Interview in Canberra, 19 May 2006). Dr Calvert was Secretary of DFAT in 1999 and also attended NSCC and SCNS.

32 When domestic security matters are discussed, this briefing is given by the Director General of the Australian Security Intelligence Organisation (ASIO).

made a decision. This format was generally conducive to broad discussion. As a former attendee—former Secretary of the Department of Defence Paul Barratt—noted: ‘It was always a very open environment for people to have their say.’³³

Longer and contiguous opportunities to attend the NSCC allowed the officials present to get a better understanding of NSCC deliberations than could be obtained from minutes and debriefings by their ministers. According to Admiral Chris Barrie, who was a participant in the NSCC, ‘the great benefit was we all knew just what part of the jigsaw puzzle was being played with at the time’.³⁴ The ability to hear the entire debate, judge the mood of the meeting and see the non-verbal signals helped in this regard.

In normal circumstances, NSCC agenda items would be discussed beforehand at the Secretaries’ level, or sometimes in the lower-level SPCG. Formal, written submissions would also go through a ‘coordinating comments’ process like other Cabinet business. This process reflected the very strong norm of ‘no surprises’, the desire to present agreed recommendations to the NSCC, and the need to reduce complexity so that decisions could be made by the ministers.

The frequent meetings of the NSCC also helped to make it into an effective committee. Tim Fischer explained that familiarity with communication processes, good support from the bureaucracy, the atmosphere of the Cabinet room and ‘a couple of drills’ all helped to ensure that, when the NSCC was called together quickly, it could function effectively.³⁵

This description of Howard’s NSCC presents a picture of a well-run, cohesive and focused group. However, the NSCC was still a place of politics. Ministers kept an eye on the political importance of issues, and they also played out some (apparently limited) competition among themselves. The way it operated was also dependent upon personalities and the prime minister’s authority. While Howard had created this machinery so that he did not have to run everything, the NSCC put him in the position where he could be the dominant political figure in any crisis, if he so chose.

The Policy Domain: SCNS and the SPCG

Despite the wider trend of change in the public service after Howard came to power in 1996, the basic national security policymaking structure in the policy domain changed little. While those responsible looked closely at whether the

33 Interview with Paul Barratt. Ashton Calvert described the atmosphere of NSCC in a similar way.

34 Interview with Admiral Chris Barrie, Canberra, 5 April 2005. Admiral Barrie was Chief of the Defence Force from 1998–2002. He was an invited official at NSCC and a member of SCNS in 1999, and had previously attended the Strategic Policy Coordination Group (SPCG) when he was Vice Chief of the Defence Force.

35 Interview with Tim Fischer.

existing arrangements were desirable, the existing Secretaries-level committee was retained in the broad shape of Paul Keating's time and renamed as the Secretaries Committee on National Security (SCNS). The previous government's SPCG was also retained.³⁶

The SCNS membership generally reflected the NSCC ministers, including the secretary of DPM&C, the CDF, DG ONA and the Secretaries of Defence, DFAT, Attorney General's and Treasury (see Table 2).³⁷

Table 2: Secretaries Committee on National Security (SCNS) – 1999

Secretary, DPM&C	Max Moore-Wilton
Chief of the Defence Force	Admiral Chris Barrie
Secretary, Department of Defence	Paul Barratt (Jan–Aug) Hugh White (Aug–Sep) Allan Hawke (Oct–)
Secretary, DFAT	Ashton Calvert
Secretary, the Treasury	Ted Evans
Secretary, Attorney Generals Dept	Tony Blunn
DG Office of National Assessments	Kim Jones

This grouping allowed the key senior officials responsible for policy development and implementation to discuss issues in a closed environment before taking their views to the NSCC. It was also a venue where agreement could be reached on some matters, thus relieving the NSCC of some of its workload and taking some of the heat out of interdepartmental disagreements.³⁸ Just which decisions were taken at this level was reliant upon a keen awareness of what their respective ministers would accept, and the relationship between the prime minister and the Secretary of DPM&C.³⁹

SCNS was typically a monthly meeting in 1999, but it met on an *ad hoc* basis if necessary. Its agenda varied, but generally SCNS considered important, long-term issues with broad impacts on national security and the government. These included complex issues such as security for the 2000 Summer Olympics in Sydney, discussions about defence projects, and policy considerations.⁴⁰ Thus SCNS played a major role in determining spending priorities and highlighting

36 Interview with 052-06.

37 Although the Secretary of the Treasury and Secretary of Attorney General's Department did not usually attend NSCC. Interviewee 052-06 thought there were clear expectations that the departmental secretary, and not a deputy, would attend. In contrast, Chris Barrie did not think there was any obligation to attend SCNS all the time.

38 Interview with 052-06. Others thought SCNS could do more. For example, Ashton Calvert described it as 'an energised and lively forum' that would 'break new ground'.

39 Interviews with Paul Barratt and Chris Barrie.

40 Interviews with Hugh White and Ashton Calvert.

the impact of policy options across portfolio areas. SCNS also became a rehearsal for the NSCC, as its members reviewed items going forward to the ministerial group. According to some former participants, including Paul Barratt, this served to ‘prevent debate in NSCC and [avoided] presenting an untidy picture for ministers to try and pick through’.⁴¹

Despite its key position in the formal national security policymaking structure, SCNS would not be a main player in any crisis. There were good reasons for this. First, most SCNS members would be heavily committed during a crisis, particularly to the NSCC, their internal departmental processes and other essential departmental work. Second, the members themselves—similar to the political leaders—would not consider themselves experts on the details of the issues. They needed briefings and submissions from their staff to make sense of the cable traffic and intelligence reports, and time to talk to important stakeholders. Thus, using SCNS during a crisis would impose a substantial workload on already-pressed staff and risked having senior leaders spend unnecessary time in meetings.⁴²

Strategic Policy Coordination Group

The SPCG was established in 1988 to ‘ensure effective consultation among departments on strategic and security policy issues in peacetime, and to provide a mechanism for coordinating advice to government in times of crisis’,⁴³ and it continued to play this role in 1999. It remained the only standing body—short of SCNS—where the senior officials from the major national security departments could come together and work through security issues. In doing so, the SPCG often reconciled positions and built consensus before proposals were submitted to SCNS or the NSCC, which meant this group often acted like a ‘policy clearing house’ for the more senior levels.⁴⁴

There are different views on what the SPCG of 1998–99 could do and how effective it was. For some, the SPCG was a useful and flexible grouping of senior officials. It derived some strength from the ability to call the members together at very short notice, and for its ability to be an action-oriented—rather than

41 Interview with Paul Barratt. Interviewee 052-06 and Hugh White made similar comments.

42 Interviews with Ashton Calvert and Hugh White. SCNS limited utility in crisis was also noted by Alan Dupont, ‘Taking out policy insures country against trouble’, *Australian*, 7 November 2000, p. 15.

43 Eric Andrews, *The Department of Defence*, Oxford University Press, South Melbourne, 2001, p. 261.

44 Interviews with Air Vice-Marshal Kerry Clarke, Canberra, 2 August 2005; Martin Brady, Canberra, 16 August 2005; and 014-05, Canberra, 5 July 2005. Air Vice-Marshal Clarke was Director General Joint Operations and Plans in Strategic Command Division in 1998–99. Brady was Director, Defence Signals Directorate in 1999, and acting Deputy Secretary Strategy in August–September. Interviewee 014-05 was a former senior government official with direct knowledge of the SPCG.

deliberative—body. This was possible because its members were sufficiently senior to carry their departments once agreement was reached in the meeting (see Table 3).⁴⁵

Table 3: Strategic Policy Coordination Group (SPCG)—Principal Members, 1999

Deputy Secretary, DFAT	John Dauth
Deputy Secretary Strategy and Intelligence, Defence	Hugh White (Jan–Aug) Martin Brady (Sep–Oct)
Vice Chief of the Defence Force	Air Marshal Doug Riding
First Assistant Secretary, International Division, DPM&C	Peter Varghese

Similarly, SPCG members sometimes deputised for their Secretaries at the NSCC and SCNS, and some played important roles in other committees, such as Defence’s Strategic Command Group (SCG). The informal nature of the SPCG was considered a strength because different departments could come together as equals in terms of policy responsibility. This allowed the discussions to roam widely, without creating the angst about responsibilities that might be experienced if such a discussion occurred in more formal settings. It also allowed the agenda to change as the situation demanded.⁴⁶

According to this view, the SPCG’s ability to function was based upon strong relationships and trust between its principals. Indeed, Hugh White described the SPCG as ‘more like a community than a committee’.⁴⁷ Members were expected to refrain from ‘silly games’ when dealing with each other and to state their positions clearly. Potentially acrimonious discussions were taken outside the meeting so that a consensus could be achieved wherever possible.⁴⁸

This same level of familiarity, informality and norm of consensus led some to see the SPCG of this time quite differently. One interviewee implied that this familiarity could create something like ‘groupthink’, as some personalities and their views dominated discussions.⁴⁹ Informality had other limits as well. It was difficult to create a working agenda and deal with an increased number

45 Interviews with Hugh White and 032-05 (identity protected), by telephone, 29 September 2005.

46 The Australian Government carefully allocates policy responsibilities, and under normal conditions any attempt by one department to ‘meddle’ outside their portfolio will provoke a reaction from the custodian. The description of the informal nature of the SPCG was provided in interviews with Ashton Calvert and 032-05.

47 Interview with Hugh White.

48 Interviews with 032-05, Hugh White and Kerry Clarke. Andrews described an earlier SPCG as ‘a joint team’ that worked ‘with great amicability’ to produce a major policy document (Andrews, p. 261).

49 Interview with Major General Michael Keating, Canberra, 25 August 2005. Major General Keating became Head, Strategic Command Division in Defence in May 1999.

of attendees in times of crisis. At times, the SPCG's collegiality was tested by clashes based on differing departmental cultures.⁵⁰ Interviewee 046-06 also thought the high degree of informality made the SPCG almost meaningless:

It was never allowed to be anything more than where a discussion took place. No policy came out of it, people presented their views and that was the end of it. There were no minutes or records of conversation. It was just an exchange of views.⁵¹

The lack of a clear agenda or mandate could also make the SPCG appear slightly dysfunctional, according to Michael Scrafton:

The reason why I say it was slightly dysfunctional, and did not work as well as it could, was that the broader grouping came to be dominated by the headline issues of the day'.⁵²

The implication of this focus on the news of the day was that the SPCG could have trouble planning ahead and aligning departmental efforts.

Departmental Machinery

Individual departments also developed structures to support national security policymaking. The general focus of these included internal decision-making about the allocation of resources and priorities, representing views of the different components of the department or agency, and preparing senior leaders and ministers for their committees.

DFAT method of responding to crises changed little after 1996, using a formal organisational division for this purpose (now called the International Security Division).⁵³ On the other hand, Defence changed its formal structure to improve operational planning. This included making the SCG more responsive and better focused, raising a subordinate Strategic Watch Group to monitor potential crises, and establishing a Strategic Command Division to support the CDF and conduct interdepartmental liaison (see Figure 2).

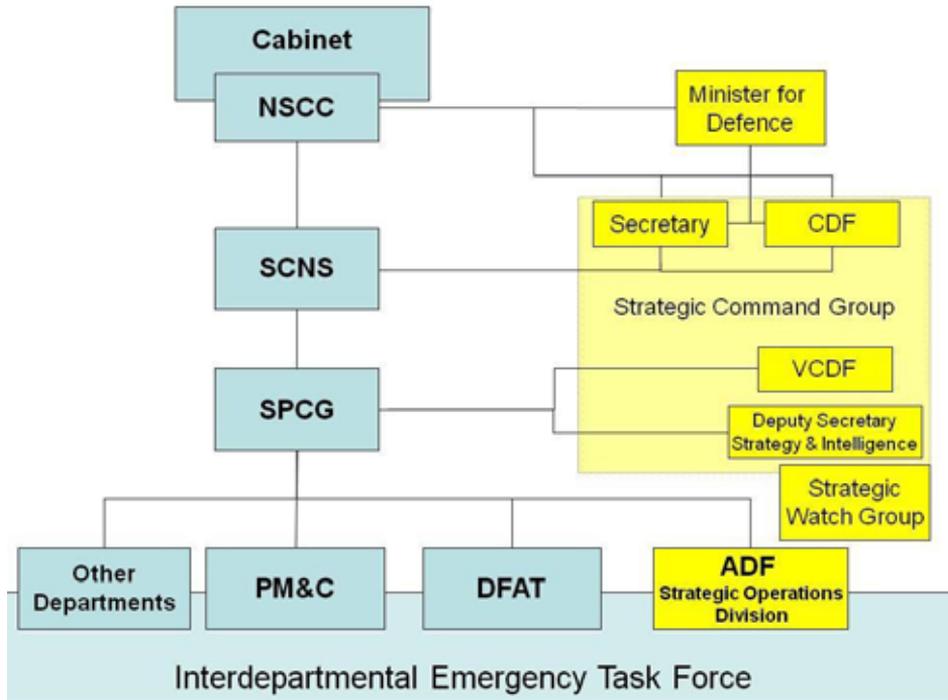
50 Interview with Michael Scrafton, Melbourne, 5 August 2005. Scrafton was Assistant Secretary Regional Engagement, Policy and Programs at the start of 1999. He became Acting First Assistant Secretary International Policy in August 1999, and attended the SPCG at times.

51 Interview with 046-06, Canberra, 6 May 2006. Interviewee 046-06 is a former senior ADF officer with direct knowledge of the SPCG.

52 Interview with Michael Scrafton.

53 Department of Foreign Affairs and Trade, *Annual Report 2006–2007*, Commonwealth of Australia, Canberra, 2007, pp. 111–13.

Figure 2: The National Crisis Management Machinery, Showing the Department of Defence’s Formal Structure – 1999



Strategic Command Group

The Strategic Command Group (SCG) was an innovation introduced by CDF Admiral Barrie to replace the ‘operational’ or ‘augmented’ Chiefs of Service Committee.⁵⁴ The group included the CDF, the Vice Chief of the Defence Force (VCDF), the Service chiefs and the head of the Strategic Command Division; and civilian officials including the departmental Secretary, Deputy Secretary Strategy and Intelligence (DEP SEC S&I), Director of the Defence Intelligence Organisation (DDIO), and First Assistant Secretary International Policy. It was also normal for the senior operational commander, known as Commander Australian Theatre (COMAST), to participate by video link from Sydney, while other officers would be invited as necessary.⁵⁵

⁵⁴ Interview with Chris Barrie.

⁵⁵ In the Australian system, COMAST is responsible for managing operations using forces assigned from the ADF.

The SCG adopted a formal structure and role in 1998 that separated it from the more management-focused Chiefs of Service Committee and Defence Executive.⁵⁶ This role was to provide operational advice to the CDF, in his capacity as commander of the Australian Defence Force (ADF) and in his shared role as principal adviser to the Minister for Defence. The SCG could be called together quickly and would meet as the situation required. It also helped the CDF (and the Secretary) to prepare for the NSCC, and for other officials such as the DEP SEC S&I and VCDF to prepare for the SPCG.

The conduct of an SCG meeting was highly dependent upon the CDF's personal preferences and style.⁵⁷ These preferences extended from the selection of attendees to the way decisions were recorded. The SCG rarely had a formal agenda in 1999. Instead, the CDF would start with an intelligence brief from the DDIO and then go to the major issues of the day or take points from attendees.⁵⁸ The minutes were generally circulated in the form of a brief list of decisions and not subjected to a review or acceptance process, giving the CDF a high degree of control over the agenda and the final say over outcomes.

The SCG was supported by the Strategic Watch Group. This group's purpose was to identify potential crises or issues that might require SCG attention. This group included a range of policy and intelligence officials at the Colonel level who met regularly, or as needed, to consider situations that may become concerns. Once the SCG began to meet regularly about a crisis, the Strategic Watch Group generally ceased to meet on that issue, and returned to scanning the environment for signs of another crisis before convening again.

The committees mentioned here were the main bodies of the formal crisis management machinery in 1999, but they were by no means the only elements. For example, it was common to form interdepartmental committees or task forces to provide advice to the Secretaries. Other committees and working groups, such as the Heads of Intelligence Agencies Meeting, the Standing Advisory Committee-Protection Against Violence and the Heads of Commonwealth Law Enforcement Agencies, might also be considered as part of the national security and crisis policymaking machinery. However, the three government-level committees identified—the NSCC, SCNS and the SPCG—had central roles in the process and were the critical forums for decision-makers and advisers.

56 The Chiefs of Service Committee was a meeting of the senior uniformed officers to discuss military matters (usually, the departmental Secretary and a few other senior officials were invited to attend). The Defence Executive was an internal committee, consisting of the senior uniformed and civilian officers, which considered administrative and budgetary matters.

57 Interview with Allan Behm, Canberra, 5 May 2005. Behm was First Assistant Secretary International Policy in 1998 and First Assistant Secretary Strategic Policy in 1999–2000.

58 Interviews with Chris Barrie and Michael Keating.

This section has set the scene for the case study by describing the Australian Policy Cycle and its limitations, and outlining Australia's formal crisis policymaking system. The next chapter provides the context for the later discussion of policymaking by outlining the events that constituted the East Timor crisis, from the perspective of Australian policymakers.