

# Chapter 3

## Initiating the Policy Cycle

Previous chapters introduced the concept of crisis policymaking, Australia's system for crisis policymaking and briefly outlined the East Timor crisis from the perspective of Australian policymakers. This chapter examines policymaking during this crisis through the first three phases of the policy cycle, where policy is initiated. Each section examines one phase—starting with issue identification, then moving to policy analysis and policy instruments. The subsequent discussion is organised by using the characteristics of policymaking identified in the Australian Policy Cycle to compare crisis policymaking with the 'typical' characteristics described by Peter Bridgman and Glyn Davis. Each section concludes with observations about that phase of the cycle, and how this phase's characteristics differed from the typical.

### Issue Identification

The Issue Identification phase represents the nominal start of the Australian Policy Cycle. In this phase, 'issues are selected for attention from the myriad of matters pressed on government'<sup>1</sup> and the problem is defined for the later stages. This phase is therefore about determining which issues the government pays attention to, and how those issues are framed as they enter the latter phases of the policymaking process. Bridgman and Davis identify four characteristics of this phase:

- Issues come to political attention based on competitive agitation from domestic actors, such as political parties, donors, interest groups, parliament and media;
- Issues might be identified to the administrative level by other domestic agents, such as government policy specialists or the courts;<sup>2</sup>

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<sup>1</sup> Peter Bridgman and Glyn Davis, *The Australian Policy Handbook*, 3rd edn, Allen and Unwin, Sydney, 2004, p. 34.

<sup>2</sup> Bridgman and Davis would hold that competitive agitation could also influence the administrative level, while other domestic sources (especially the courts) would have an influence on the political level. The two characteristics have been made exclusive and applied to the different levels in this paper because competitive agitation seemed to have little influence on the administrative level, and a number of important domestic sources—such as the courts—played no role in this case.

- Issues can be created by the influence of external sources, such as economic change, foreign state or non-state actors, technology, demographic shifts, or legal change; and
- Issues enter the political agenda once there is sufficient 'mass appeal' to demand political attention.<sup>3</sup>

These characteristics do not map directly to national security crises. The most important distinction is that between the dominant role of the national leadership, and the marginal role played by other domestic actors. Also, external actors become essential in national security crises where they become protagonists with significant resources or interests. Mass appeal plays a more ambiguous role in the Issue Identification phase, as political leaders can—and do—act in advance of public opinion.

### Dominant core

The core of the Australian Government, represented by the prime minister, his national security ministers and their senior officials, were the dominant domestic actors involved in issue identification in this crisis. In most cases, this group—more so than other domestic actors such as Parliament, interest groups or the media—categorised events and determined their significance for the national interest. In one important instance, the action taken by part of this group to develop the 'Howard Letter' provided a catalyst for the eventual acute crisis in September 1999. This letter also (unintentionally) shaped the problem into one of rapid political change, and ultimately into a situation with significant potential for instability and violence.

East Timor was not, however, a new issue in 1998–99 and this led the dominant core to consider East Timor through the prism of the Australia-Indonesia relationship. The Department of Foreign Affairs and Trade (DFAT) noted the fundamental importance of this relationship in their white paper of mid-1997, and expressed the influence of East Timor in this way:

Developments in East Timor will remain important in shaping Australian public attitudes towards Indonesia and Indonesia's standing internationally. ... While the overall administration of the Province is primarily a matter for the Indonesian Government to determine, the Australian Government considers that an improved human rights situation and a greater role in the administration of the Province for indigenous East Timorese would contribute to an overall resolution of the issue.<sup>4</sup>

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3 Bridgman and Davis, *The Australian Policy Handbook*, pp. 34–39.

4 Department of Foreign Affairs and Trade, *In the National Interest—Australia's Foreign and Trade Policy White Paper*, Commonwealth of Australia, Canberra, 1997, p. 62.

As a primary policy document, this statement was a high-level call by Australia for the Indonesian Government to do something—for the good of the bilateral relationship—about the situation in East Timor. It is therefore unsurprising that the Australian Government would be very interested in developments that might lead to a resolution of what was described as a ‘running sore’ by some.<sup>5</sup>

The developments of mid-1998 were therefore viewed by DFAT as a chance to advance Australia’s regional relationships, particularly that with Indonesia. In Ashton Calvert’s words, the new space to discuss Timor that opened after Soeharto fell in May 1998 was a chance ‘to put the [Australia-Indonesia] relationship on a more stable and business-like relationship than we had through those 23 years [since 1975]’.<sup>6</sup> In this sense, the events of mid-1998 were an opportunity and a risk for Australia.

Consequently, the National Security Committee of Cabinet (NSCC)’s interest increased during 1998, and Foreign Minister Alexander Downer took regular briefings from his senior officials and made several visits to Indonesia throughout 1998 and 1999.<sup>7</sup> This involvement, which James Cotton described as ‘activism’ and included a visit to Jakarta to promote dialogue with East Timorese leaders,<sup>8</sup> shaped the issue for Australian policymakers. More broadly, the desire of the newly re-elected Coalition government (as of October 1998) to start their second term with a positive initiative was also probably another important aspect of issue identification.<sup>9</sup>

Other departments and agencies were not as well prepared as DFAT to identify this issue. Some had a practical involvement in Timor—for example, the Australian Electoral Commission (AEC) had been preparing for involvement in East Timor as part of the support for the forthcoming (1999) Indonesian elections, while the Australian International Aid Agency (AusAID) had provided support to Red Cross activities in the province for some time. The Indonesia Section of AusAID was also busy gathering information about development indicators in East Timor

5 Perhaps the earliest description of East Timor as a ‘running sore’ was noted by Hamish McDonald, ‘Timor: Fear of ‘running sore’, *Age*, 29 September 1975, p. 6.

6 Interview with Ashton Calvert.

7 The Prime Minister also called the Secretary of DFAT on a number of occasions to receive briefings on the situation in Indonesia (Interview with Ashton Calvert); and Don Greenlees and Robert Garran, *Deliverance: The Inside Story of East Timor’s Fight for Freedom*, Allen and Unwin, Crows Nest, NSW, 2002, p. 83.

8 James Cotton, ‘East Timor and Australia—Twenty-five years of the policy debate’, in James Cotton (ed.), *East Timor and Australia*, Australian Defence Studies Centre/Australian Institute of International Affairs, Canberra, 2000, p. 12. Alexander Downer’s efforts were described in an interview with Ashton Calvert; and in Department of Foreign Affairs and Trade, *East Timor in Transition 1998–2000: An Australian Policy Challenge*, Commonwealth of Australia, Canberra, 2001, pp. 44–51.

9 Greenlees and Garran, *Deliverance: The Inside Story of East Timor’s Fight for Freedom*, pp. 84–85. Others, such as Interviewee 064-07, saw greater continuity in government policy throughout 1998 and suggest that opportunity, rather than the election, was the impetus behind the Howard Letter.

throughout 1999, which put the agency in a strong position to respond later.<sup>10</sup> In contrast, Defence and the Australian Federal Police (AFP) had not given much consideration to East Timor in terms of potential operations until early 1999.<sup>11</sup> Indeed, the East Timor issue did not become prominent for the AFP until the Bali summit of 27 April 1999 and the actual 5 May Agreement.<sup>12</sup>

New issues were often identified to the administrative level by policy statements and ministerial announcements, the actions of other departments, and the media. Policy statements are usually crafted within departments, either at the behest of the minister or as a departmental initiative (best described as ‘policy-in-development’). When issues are raised in this way, departments are better able to manage the issues as they have the initiative and frequently have time to prepare their position. But when issues are raised unexpectedly, such as when media stories gain political significance, departments will be reactive. It will take time for them to work through the implications and align their policy messages.

The ‘Howard Letter’ was the most dramatic example of how challenging reactive policymaking can be. While starting as an initiative, Australia clearly lacked a fully-developed policy on how it would approach East Timor in mid-January 1999. As a result, departments such as Defence did not have any understanding of what the government might want from it when the surprise announcement about the letter was made. This gap gave other actors—such as the media and lobby groups—time to provide advice to government and launch criticism in an effort to shape the agenda.<sup>13</sup> The problems with this reactive posture continued to mar the government’s preparations well into March 1999, which was shown in the way Defence’s need for planning lead-time continued to run at cross purposes to DFAT’s view of how to manage the relationship with Indonesia.<sup>14</sup>

Intelligence agencies also played a role in identifying issues, particularly when they provided information not available in the public domain. In this case, Australian intelligence agencies correctly identified Indonesian military support for pro-integration militias and provided ‘detailed, accurate, relevant

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10 Interviews with Steve Darvill and Scott Dawson, Canberra, 4 April 2006. Dawson was Assistant Director General East Asia Branch in AusAID from June 1999, with responsibility for East Timor. In the post-ballot period, he headed the AusAID Task Force that dealt with the immediate emergency response and then worked on the longer-term program for East Timor.

11 While Defence’s policy paper of 1997 noted the difficulty created by the Indonesian military’s role in internal security, and specifically mentioned East Timor as an example of the difficulty, the reference to East Timor was made in the broader context of defence cooperation, rather than potential future operations. See Department of Defence, *Australia’s Strategic Policy*, Commonwealth of Australia, Canberra, 1997, p. 22.

12 Interview with Adrien Whiddett. The Bali Summit was a meeting between Prime Minister John Howard and President B.J. Habibie that discussed the situation in East Timor (see Chapter 4).

13 For example, see James Dunn, ‘Righting our Past Wrongs’, *Sydney Morning Herald*, 13 January 1999, p. 11; Paul Cleary, ‘A policy that’s a bit light on detail’, *Sydney Morning Herald*, 13 January 1999, p. 7; and Australian Associated Press, ‘East Timor committee asks Howard to take stronger stance’, 26 January 1999.

14 The later section on policy instruments returns to this issue.

and timely reporting to policymakers'.<sup>15</sup> The influence of such reporting is demonstrated in the way intelligence about military activities and sponsorship of the pro-integration militia led directly to the government's decision to send the Doug Riding/Allan Behm delegation to Jakarta in June 1999.<sup>16</sup> But the possession of intelligence does compel the Australian Government to act. Indeed, this case shows a clear example where the government knew about the emergence of a disturbing factor, namely the increasing involvement of sections of the Indonesian Army (TNI) with militias after January 1999, but judged that overtly confronting this fact would place the entire consultation process in jeopardy, risked a direct confrontation with Indonesia's foreign minister, and risked compromising sensitive intelligence assets.<sup>17</sup>

Actors close to the dominant core, such as officials or ministerial staff, can identify issues in indirect ways when they release, or 'leak', sensitive information without authorisation to agents such as the media. A number of leaks were recorded throughout 1999, including disclosures about US policy views and military intentions, and TNI involvement in violence by pro-integration militia.<sup>18</sup> Some of the leaks involved classified reports from the Defence Intelligence Organisation (DIO) and cables from DFAT, which were subsequently circulated in media and academic circles. These reports lead to Opposition pressure on the government and a number of critical press reports about Australian policy throughout 1999 and into the next year.<sup>19</sup>

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15 This opinion was expressed by a critic of the overall use of intelligence in policymaking. See Desmond Ball, 'Silent Witness: Australian Intelligence and East Timor', in Desmond Ball, James Dunn, Gerry van Klinken, David Bouchier, D. 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, p. 179. Interviews with the Hon. Daryl Williams, Canberra, 17 March 2007; and 048-06, Canberra, 5 June 2006, also mentioned the importance ministers placed upon intelligence. Williams was Attorney-General (a ministerial position in Australia) and a member for the NSCC from 1996–2003. Interviewee 048-06 is a former ministerial adviser.

16 Interviews with 046-06 and Allan Behm. See also Ball, 'Silent Witness: Australian Intelligence and East Timor', p. 252.

17 Ball, 'Silent Witness: Australian Intelligence and East Timor', pp. 246–49 cites three Defence Intelligence Organisation reports identifying TNI involvement with militias from January 1999 and predicting the consequences for security in East Timor. DFAT says Australia was concerned about the deteriorating security situation after late-1998, and it 'applied consistent pressure on Indonesia' (Department of Foreign Affairs and Trade, *East Timor in Transition 1998–2000: An Australian Policy Challenge*, pp. 61–62). According to Allan Behm, the Office of National Assessments (ONA) was against a direct approach to the TNI because it could compromise intelligence sources and methods (Behm interview).

18 Jason Brown, Assistant Secretary Security for the Department of Defence, advised Senate Estimates that 28 cases of unauthorised disclosure of information about the East Timor operation were being investigated as at 10 February 2000. See Senate Foreign Affairs, Defence and Trade Committee, *Consideration of Additional Estimates (Department of Foreign Affairs and Trade)*, 9 February 2000, p. 165.

19 A few examples include Paul Daley, 'Armed with information, now what?', *Age*, 29 May 1999, p. 4; John Lyons, 'The Secret East Timor Dossier', *Bulletin*, 12 October 1999; John Lyons, 'The Timor Truth Gap', *Bulletin*, 30 November 1999, pp. 24–32; and Laurie Brereton, MP, 'East Timor: Revelations on Four Corners', News Release, 15 February 2000.

When leaks occur, senior officials generally try to pre-empt further compromises by 'compartmentalising' information so that even fewer people know the complete details of a planned policy or operation. In this way, leaks make information gathering and consultation harder, as governments limit the search for data and question the integrity of sources or agencies considered close to the leak.

While the motivations of 'leakers' probably varied in 1999,<sup>20</sup> the unauthorised release of official information had important effects on policymaking during this crisis. For one, leaked information that contradicted government policy embarrassed the Government, and so undermined their position on different occasions.<sup>21</sup> Leaks also allowed critics to direct the agenda. In one example, Opposition foreign affairs spokesman Laurie Brereton used leaks published in the media to ask detailed questions of the Government which, in this case, caused Minister Downer to make a 'clarification' on 9 August concerning Australian contact with USPACOM.<sup>22</sup> The leaking of sensitive military, diplomatic and intelligence material during 1999 also placed pressure upon the Australian Government to answer questions about evolving situation, which may have increased the difficulty with developing plans or negotiating with the Indonesian and US Governments.<sup>23</sup> While there is no direct evidence that these leaks compromised intelligence sources and methods, it is possible that the potential targets of intelligence gathering took more precautions to protect themselves from Australian (and by implication, US) agencies.

Leaks also have a corrosive effect on relationships by causing investigations (with their attendant additional work) and reducing trust between and within

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20 On the motivations of 'leakers' or 'truth tellers', see Lance Collins and Warren Reed, *Plunging Point: Intelligence Failures, Cover-ups and Consequences*, 4th Estate/Harper Collins, Sydney, 2005, Chapter 10; Greg Terrill, *Secrecy and Openness*, Melbourne University Press, South Carlton, 2000, pp. 222–227. Rodney Tiffen describes a variety of reasons for leaking, and mentions the matter of Merv Jenkins, a DIO official who tragically took his life after being questioned about releasing information to the American government about East Timor in 1999 ('Why Political Plumbers Fail – Hypocrisy and Hyperbole in Leak Control', 2005, available at <[http://soc.kuleuven.be/io/ethics/paper/Paper%20WS2\\_pdf/Rodney%20Tiffen.pdf](http://soc.kuleuven.be/io/ethics/paper/Paper%20WS2_pdf/Rodney%20Tiffen.pdf)>, accessed 16 June 2009). For a practical angle on leak motivation, see Bruce Marcus, 'There's a leak in my firm', *The Marcus Letter*, (no date) available <<http://www.marcusletter.com>>, accessed 16 June 2009.

21 For instance, the impending publication of Paul Daley's story concerning US planning forced Foreign Minister Downer to make a late night clarification about his earlier denial of any knowledge about US intentions, See Hon. Alexander Downer, MP, 'Answers to Questions Without Notice – East Timor: Peacekeeping', *House of Representatives Official Hansard*, 9 August 1999, p. 8174.

22 Laurie Brereton, MP, 'East Timor: Peacekeeping', *House of Representatives Official Hansard*, 9 August 1999, p. 8098.

23 Some of the major stories of the period that relied upon sensitive information included Don Greenlees, 'Leak shows no E Timor troop cuts', *Australian*, 30 October 1998, p. 1; Paul Daley, 'Spy effort stepped up in Timor', *Age* (Melbourne), 20 March 1999; Mark Dodd, Peter Coleman-Adams and Hamish McDonald, 'Defence report warning of violence', *Sydney Morning Herald*, 24 April 1999, p. 1 and p. 9; Paul Daley, 'Timor: We snub offer to send in the Marines', *Sunday Age* (Melbourne), 31 August 1999; and Lyons, 'The Secret East Timor Dossier'.

different agencies.<sup>24</sup> Then Director DIO Frank Lewincamp noted: ‘There were the times when we had huge debates about [an intelligence agency] passing us information that they got from the Americans—[it became a question of] whether we could be trusted or not’.<sup>25</sup> This view is critical to the effective operation of intelligence agencies, for it shows how leaks can have broader implications for cooperation and ultimately policymaking.

An examination of other domestic actors is needed before the claim for dominance of the core actors in government is supported. This point will be reviewed after the important role of external actors is considered.

### Essential external actors

The available evidence points to the prominence of external actors and influences in both creating and then promoting East Timor as an issue for Australian policymakers in 1998–99. Some were macro-forces such as the Asian economic crisis and the emergence of humanitarian intervention as a factor in international relations. Other influences, such as the notion that Australia was now living within an ‘arc of instability’ and thoughts that the United States wanted its allies to do more in the wake of the Kosovo conflict, added to the broad range of reinforcing external drivers.<sup>26</sup> However, it remains difficult to identify the exact influence or importance of influences such as these for identifying issues for Australian policymaking, except insofar as they establish the context for events of the time.

It is much easier to establish the importance of proximate external actors and influences such as the attitudes and actions of the Indonesian Government, and the location of East Timor and its long history as an issue in Australia and internationally. One change had an unmistakable impact on what was to occur—the resignation of President Soeharto in May 1998 and the subsequent

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24 Investigations over leaks continued for some time after the crisis. For example, the Defence Signals Directorate (DSD) was investigated after accusations they had organised foreign agencies to intercept conversations by Opposition MP Laurie Brereton—see Australian Associated Press, ‘DSD boss denies spying on Brereton’, *Sydney Morning Herald*, 1 May 2003, available at <<http://www.smh.com.au/articles/2003/05/01/1051382039622.html>>, accessed 27 June 2009; and Robert Hill, ‘Blick Report into DSD and East Timor leak investigations’, Minister of Defence Media Release 88/03, 10 July 2003, available at <<http://www.minister.defence.gov.au/Hilltpl.cfm?CurrentId=2938>>, accessed 28 April 2009.

25 Interview with Frank Lewincamp, Canberra, 4 July 2005. Lewincamp was Director DIO from 1998–2005.

26 On US attitudes towards alliances post-Kosovo, see Linda Kozaryn, ‘US, NATO Allies Plan New, Improved Alliance’, *American Forces Information Service*, 21 September 1999; Richard Haas, ‘Kosovo: U.S. Policy at Crossroads’, 10 December 1998, Brookings Institute, Washington, DC, available at <<http://www.brookings.edu>>, accessed 25 January 2006; and Strobe Talbot, who was quoted as saying ‘Many Americans are saying: Never again should the United States have to fly the lion’s share of the risky missions in a NATO operation and foot by far the biggest bill ...’ in Michaela Hertkorn, ‘The relevance of perceptions in foreign policy: a German-U.S. perspective’, *World Affairs*, vol. 162, no. 2, 2001, p. 62. The ‘arc of instability’ was an expression coined to describe Australia’s fractious neighbourhood as it appeared in 1999. Its genesis is discussed in Robert Ayson, ‘The “Arc of Instability” and Australia’s Strategic Policy’, *Australian Journal of International Affairs*, vol. 61, no. 2, 2007, pp. 217–21.

statements by President-designate B.J. Habibie about his willingness to reconsider East Timor's status within Indonesia.<sup>27</sup> While Howard began to shift ground on Australian support for Soeharto during the lead-up to the latter's resignation on 20 May, the Prime Minister had not made any public statements calling for a reconsideration of the East Timor issue to that point; indeed, calls by others to do so were explicitly rejected by government leaders.<sup>28</sup> It was not until 24 May that Downer broached the issue of change in East Timor, and Howard repeated that call a day later.<sup>29</sup> Further, it was not until after President Habibie made public comments about re-thinking the issue on 9 June 1998 that the Australian Government took active measures to support the policy change, including offering DFAT to facilitate intra-Timorese dialogue and survey East Timorese opinion about their future status.<sup>30</sup>

The main stumbling point to a better understanding of East Timor was the Indonesian Government's identification of this as a diplomatic issue. This perspective meant that it was more concerned about dealing with its problems through international negotiations and measuring its success in terms of foreign reactions, rather than focusing on the domestic aspects of the problem such as discontent among the East Timorese. Indonesia's acknowledgement of this point led to its acceptance of Australia's offer to canvass East Timorese opinion on the situation, although the differing perspective continued well into early 1999.<sup>31</sup> As such, external factors based around the political changes in Jakarta were instrumental to bringing this issue from 'watching brief' status to the fore of the Australian Government's agenda.

Australia was, however, still a long way from committing to a military operation in mid-1998. But once again, issues generated overseas—and particularly in East Timor—influenced the policy agenda throughout late-1998 and 1999. For example, the violence in Alas (a town in East Timor) and Jakarta in November 1998, and the stalling of the Tripartite Talks described above, were almost certainly on the government's mind as the Howard Letter was sent. Continuing

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27 Howard also made use of the changed situation in Jakarta to call for 'movement by the Indonesians in relation to East Timor', in Rebecca Rose, 'Howard Urges Habibie To Act On East Timor', *West Australian*, 26 May 1998, p. 4.

28 Geoffrey Barker, 'Australia Bends To People Power', *Financial Review*, 16 May 1998, p. 25. However, Howard remained firm that the 'problem of East Timor' was best solved by using Australia's good standing to promote 'gradual change'. See Jeremy Cordeaux, 'Transcript of the Prime Minister, The Hon John Howard MP', Radio 5DN (Adelaide), 18 May 1998, available at <<http://www.pm.gov.au>>, accessed 12 February 2006.

29 See Department of Foreign Affairs and Trade, *East Timor in Transition 1998–2000: An Australian Policy Challenge*, p. 24; and Agence France-Presse, 'Australia urges Indonesia to tackle irritant of East Timor', 25 May 1998.

30 See Department of Foreign Affairs and Trade, *East Timor in Transition 1998–2000: An Australian Policy Challenge*, pp. 24–26.

31 A problem recognised by DFAT in an un-referenced cable mentioned in David Goldsworthy, 'East Timor', in Goldsworthy and Peter Edwards (eds), *Facing north: a century of Australian engagement with Asia*, Melbourne University Press, Carlton, 2003, p. 225 and p. 232.

violence early in 1999, especially in Liquiçá and Dili was central to the Australian request for the Bali Summit in April. Even the 5 May Agreement itself, which had such a dramatic influence on Australian policy and action for the following few months, was only indirectly influenced by Australia. This influence was exercised by visits to the United Nations by the combined DFAT and Defence delegation, and by impressing the importance of issues such as security to UN interlocutors.<sup>32</sup>

The pattern whereby external actors were important for agenda setting continued right up to the deployment of the International Force in East Timor (INTERFET). While domestic actors exerted some pressure,<sup>33</sup> the Australian Government was more concerned about the Indonesian Government's views because its agreement was needed before action could be taken in East Timor. This agreement was essential because the Australian Government wanted to avoid provoking conflict with Indonesia, and for pragmatic reasons such as an inability to forcibly enter East Timor without undue risk. The Australian Government also identified the need to influence other UN members to support the consequent action, and was very mindful of US attitudes. However, once the external conditions were set by Indonesia's acquiescence, the UN mandate and US support for the mission, the Australian Government was able to harness the considerable domestic support for intervention.

### Marginal domestic actors

Australian interest in East Timor's future was clearly driven by a number of sources, and competitive agitation from domestic actors featured among them. However, these sources were not the most important for determining Government policy in this case.

The issue had been given energy once again after agitation by the Opposition ALP's spokesperson, Laurie Brereton, in late 1997. This led to a consequent shift in the ALP's policy toward recognising the right of self-determination for the East Timorese in early 1998.<sup>34</sup> The impact of the ALP intervention

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32 Interviews with 007-05 and Hugh White; and Department of Foreign Affairs and Trade, *East Timor in Transition 1998–2000: An Australian Policy Challenge*, pp. 72–75.

33 For examples of this pressure, see Alan Dupont and Anthony Bergin, 'UN Force Critical to Peace in East Timor', *Australian Financial Review*, 29 March 1999; Paul Robinson, 'Unions Plan Action On Timor Violence', *Age*, 3 May 1999, p. 6; Brian Toohey, 'PM's Dilemma on Timor Peace Force', *Sun Herald*, 1 August 1999, p. 49; and Sean Aylmer, 'Timor: Downer Says There's No Rift With US', *Australian Financial Review*, 2 August 1999, p. 7, which mentions the parliamentary pressure being applied by opposition spokesperson Laurie Brereton.

34 Scott McKenzie, 'Tough Line on Timor', *Herald-Sun*, 22 November 1997, p. 4; and Anthony Burke, 'Labor Could Be Set For A Backflip on East Timor', *Canberra Times*, 22 December 1997.

on government thinking is difficult to judge from the public record, but it is unlikely that government ministers would acknowledge this agitation as a factor in their ultimate actions.<sup>35</sup>

A number of groups in Australia were vociferous in their support for East Timorese independence throughout 1998 and 1999, including the Catholic Church, some ex-service groups, academics, students and non-governmental organisations (NGOs).<sup>36</sup> Their attempts to raise East Timor as a policy issue included representations to the Senate (see below), and even some protests involving low-level violence against the Australian prime minister and foreign minister during February–May 1998. These efforts were supported by strident calls from East Timorese emissary José Ramos Horta for greater Australian attention and aid, who'd campaigned frequently in Australia during the preceding decade.<sup>37</sup>

Local interest in East Timor increased after Habibie's June announcement on special autonomy, and again after the 'Balibo Five' issue re-surfaced in October 1998 (leading the government to re-open the Sherman Inquiry in November of that year).<sup>38</sup> In addition, the Australian Senate ran a public enquiry throughout 1998 and 1999 in an attempt to examine the social and political conditions in East Timor. As the crisis developed, this committee—along with meetings conducted as part of the Senate Estimates process—often quizzed officials about events and positions and heard testimony from a variety of (private) witnesses that contradicted government policy.<sup>39</sup>

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35 Greenlees and Garran think Brereton's pressure—and the pressure of Gareth Evan's legacy—was felt by Downer, although they do not identify whether this was a direct influence (*Deliverance: The Inside Story of East Timor's Fight for Freedom*, pp. 80–81). Fernandes cites the ALP policy change as being 'a critical factor in the independence of East Timor' (Clinton Fernandes, *Reluctant Saviour: Australia, Indonesia and the independence of East Timor*, Scribe, Melbourne, 2004, p. 31). But given the centrality of Habibie's decisions to Australian action, and the complete surprise that accompanied the Howard letter, these attributions seem to overstate the influence of Australia's Opposition in this case.

36 Howard commented on the diversity of this coalition of interests that supported East Timor in Fran Kelly, 'John Howard 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), accessed 27 June 2009. A good summary showing the variety of groups and individuals which agitated for East Timor's independence in 1998–99 can be found in Foreign Affairs Defence and Trade References Committee, *Final Report into the Inquiry into East Timor*, Senator John Hogg (Chair), Commonwealth of Australia, Canberra, 2000.

37 *Australian*, 'Timorese demand better effort', 2 April 1998, p. 7.

38 Alexander Downer, 'A Long Term Commitment: Australia And East Asia', Speech to the Indonesian Council on World Affairs and the Indonesia-Australia Business Council, Borobudur Hotel, Jakarta, 9 July 1998, available at <<http://www.dfat.gov.au>>, accessed 12 April 2006. This enquiry—the second conducted into the 1975 Balibo murders by Sherman—was sparked by a media report that interviewed a reported eyewitness to the atrocity. For that report, see Jonathon Holmes, 'East Timor—Balibo: A Special Report', *Foreign Correspondent*, ABC Television (Australia), 20 October 1998, available at <<http://www.abc.net.au>>, accessed 21 January 2006.

39 For example, transcripts of Senate Estimates from 2 December 1999 record departmental officials being questioned extensively about the effect of Barratt's sacking from the position of Defence Department Secretary, just prior to the East Timor operation (see Senate Foreign Affairs, Defence and Trade Committee, *Consideration of Budget Estimates: Supplementary Hearings (Defence Portfolio)*, 2 December 1999, available at <<http://www>>.

These domestic groups had some influence on political leaders and public opinion about Indonesia, particularly in the way some disclosures forced the Government to respond to matters that it probably did not wish to address at the time. For instance, the revelation of Indonesian deceit about troop rotation, which was presented in documentary form by activist Andrew McNaughton, came around the same time as the Government was looking for a new initiative on East Timor, and as the Tripartite Talks were facing difficulties (see Chapter 2).<sup>40</sup>

But this agitation did not have a major impact on the Australian Government's policies towards East Timor in 1998. While Howard acknowledged the existence of Australian advocates for East Timor in one interview about this period, he seems to consider them more as a curiosity than a strong force that the Government needed to reckon with.<sup>41</sup> The lack of progress towards the objectives of some of these domestic actors—specifically those advocating for an end to Indonesian rule in East Timor or an end to Australian recognition of Indonesian sovereignty—also shows how the Australian Government put a higher priority upon supporting Soeharto and the crisis-affected Indonesian economy in early 1998 than for meeting the demands of domestic actors. Indeed, the Australian Government's record of political and practical support made it difficult for it to accede to any demand for a rethink on East Timor until the situation changed dramatically in May that year. Advocacy later in that year had some impact upon keeping the East Timor issue in the media, but on balance it was electoral timing, an appreciation of the new political circumstances in Indonesia and the evolving external situation (in regards to the Tripartite Talks) that seems most likely to have drawn the Government to take the major policy step of sending the 'Howard Letter'.

It is possible, however, to identify how an emerging consensus made it easier for the government to change policy toward East Timor and then act after the acute crisis occurred. Howard himself described this coalition of interests as 'fertile ground' to allow a new policy direction in late 1998.<sup>42</sup> Richard Woolcott also made an interesting point that a range of different groups—including

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aph.gov.au>, accessed 2 December 2007, pp. 4–10). For an example of a private witness testimony, see William Fisher in Foreign Affairs, Defence and Trade References Committee, *Economic, social and political conditions in East Timor*, Hearing of 9 September 1999, available at <<http://www.aph.gov.au>>, accessed 6 December 2006, pp. 464–73.

40 As reported in Don Greenlees, 'Leak shows no E Timor troop cuts', *Australian*, 30 October 1998, p. 1. See also Sonny Inbaraj, 'East Timor: Disclosure on Troops Mocks Jakarta's Credibility', 3 November 1998, available at <<http://www.etan.org/et/1998/november/1-7/03disclos.htm>>, accessed 27 June 2009.

41 Howard mentions this coalition of interests twice in an edited interview for the ABC Television documentary, *The Howard Years*, noting that there 'always had been' a 'lively constituency' for change in Australia's policy regarding East Timor. Given Howard's renowned 'nose' for public opinion, it would be remarkable if he did not know about these groups and their concerns and opinions (Fran Kelly, 'John Howard on East Timor').

42 Fran Kelly, 'John Howard on East Timor'.

the Labor left, Catholic groups and the One Nation party—who generally opposed the government's foreign policy were supportive of the Government's emerging populist-nationalist line on East Timor.<sup>43</sup> When this support was added to mainstream (and sometimes nationalistic) opinion that favoured action to halt the post-ballot violence, a strongly supportive media and bipartisan parliamentary support, competitive agitation largely disappeared as a factor in issue identification. As a result, the government found itself with fewer constraints and some room for manoeuvre when the decision was made by the international community to intervene towards the end of September 1999.

### Mass appeal

Just as most domestic actors had only a marginal influence on issue identification, the mass appeal of the Timor issue in both the domestic and international spheres was patchy until September 1999. But when the public (and the various interest groups described above) came to be fully behind intervention, mass appeal supported and enabled the Australian Government's policy preferences.

While Indonesia's actions in East Timor after 1975 had been debated and condemned by some sections of the Australian community, East Timor's status remained an obscure issue for the Australian public until the Santa Cruz massacre of November 1991.<sup>44</sup> One explanation for its lack of prominence was that successive Australian Governments tried to separate East Timor from the broader Indonesia relationship.<sup>45</sup> While violence and other acute events resuscitated the issue from time to time, the ensuing protest or discussion occurred without East Timor becoming a mainstream political issue in Australia.<sup>46</sup>

Pressure mounted on the Australian Government throughout 1999, and there were times when it had to act, despite its preferences. For example, the decision

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43 Richard Woolcott, 'The consequences of the crisis over East Timor', in Bruce Brown (ed.), *East Timor—The Consequences*, New Zealand Institute of International Affairs, Wellington, 2000, p. 28. Woolcott was a former Secretary of DFAT and Ambassador to Indonesia. Interviewee 048-06 described this convergence of opinion as 'incredibly ironic' given the usual 'left wing' opposition to the use of military force.

44 It is difficult to register the place of East Timor in Australian public consciousness. Moreen Dee, for instance, thinks the East Timor issue was 'generally unregarded' until 1991 and the Santa Cruz (or Dili) massacre, where the TNI killed at least 250 people. Further, it is difficult to judge whether this incident had a lasting impact on popular consciousness—see Moreen Dee, "'Coalitions of the Willing' and Humanitarian Intervention: Australia's Involvement with INTERFET', *International Peacekeeping*, vol. 8, no. 3, 2001, p. 3. One indicator may be the way perceptions of the 'Indonesian threat' among Australians changed after major events in East Timor. As McAllister showed, the perception of Indonesia as a threat rose after its 1975 invasion of East Timor and again after Santa Cruz (to around three in ten). In both instances, the threat had been relatively low for the period before the event. See Ian McAllister, *Attitude Matters: Public opinion in Australia towards defence and security*, Australian Strategic Policy Institute, Canberra, 2004, Figure 5, p. 20.

45 Nancy Viviani, 'Australia Indonesia Relations—Past, Present and Future', *Senate Foreign Affairs, Defence and Trade References Committee, Additional Information*, vol. 2, Commonwealth of Australia, Canberra, 1999, p. 3.

46 McAllister, *Attitude Matters: Public opinion in Australia towards defence and security*, p. 10.

to break military ties with the TNI, largely because of suspected KOPASSUS<sup>47</sup> involvement with the militias, was not supported by the Department of Defence according to Aldo Borgu:

But it was literally a government-directed edict. I can remember ... others [in Defence] trying to argue that we should not go down that path, but [John] Moore's office, the Prime Minister's Office and to an extent [Foreign Minister] Downer realised that we had to go along with it because the wider Australian public just would not stand for maintaining that relationship—and there was also a need to send a message to the Indonesians as well.<sup>48</sup>

While other calls were made to intervene, the government resisted these until its conditions for military action were satisfied.<sup>49</sup> Interviewee 052-06 said this was a close-run thing:

It appeared as if Indonesia was becoming unacceptable to the Australian people as a governing force in East Timor, so I think politically the pressure was on the government to ensure that the government was registering its concerns with the Indonesians, showing that it had a plan to deal with the issue, and I think that when one sees violence on the streets then that has a negative impact on the government.<sup>50</sup>

In this case, the public's 'sense of collective morality, justice or responsibility'<sup>51</sup> saw a great number of people take interest in the issue after the September violence, and around 90 per cent of Australians eventually either supported or strongly supported the intervention.<sup>52</sup> This high level of support meant that the government was not constrained in pursuing its preferences, and was able to point to significant public backing to justify its actions. This was important later, when the government floated the 'Timor Tax' to raise money to pay for the intervention force.<sup>53</sup>

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47 KOPASSUS—*Komando Pasukan Khusus* (Indonesian Special Forces Command).

48 Interview with Aldo Borgu. See also Australian Associated Press, 'Moore defends joint military ops with Indonesia', 28 March 1999.

49 For a sample of the pressure from international NGO, see Sidney Jones, 'East Timor: Stop the Violence', *Human Rights News*, 6 July 1999.

50 Interview with 052-06.

51 One Roy Morgan poll described the East Timor situation as the 'dominant issue' of September 1999 (Roy Morgan Research, *L-NP Draws Closer On Primary Vote As ALP Support Eases*, Finding No 3228, 28 September 1999, available at <<http://www.roymorgan.com>>, accessed 26 August 2006). See also Allan Gyngell and Michael Wesley, *Making Australian Foreign Policy*, Cambridge University Press, Cambridge, 2003, p. 193.

52 This data was taken from a poll of 1164 people in 2000 (see McAllister, *Attitude Matters: Public opinion in Australia towards defence and security*, Table 6, p. 24).

53 Under this proposal, Australians earning over A\$50 000 would pay an additional 0.5 per cent levy to help fund the intervention. See Reuters News, 'Howard would consider one-off tax for Timor troops', 28 October 1999; and Agence France-Presse, 'Affluent Aussies to fund peacekeeping in East Timor',

It is difficult to attribute the government's policy actions solely to public opinion. As Interviewee 064-06 remarked:

Sure public opinion was significant in that made it a big political issue, but that was not what was driving them [the Cabinet] ... they all thought, this is an outrage, particularly since Australia had invested the amount of money and diplomatic capital and personnel in this process. To see these thugs go in there, and to see the military stand aside and let it happen, I think people [in the Cabinet] were genuinely really disgusted ... [so] how do you separate public opinion from the outrage of people in Cabinet?<sup>54</sup>

While domestic public opinion might be important, there is also a case to be made for the effect of international opinion and its influence on events and government options. When asked about this, Ashton Calvert thought that the 'lack of an appetite' for earlier action among the international community was another important influence on events:

And why was it possible to have INTERFET after the vote and after the violence and why it wasn't possible to have it before? ... Simply because international opinion was so appalled at the spectacle of what was unfolding after there had been a vote. ... The mood in Australia would not have been sufficient by itself. It was the broader international focus, the media and in the bigger countries like the United States and the bigger countries of Europe, demanding that something had to be done.<sup>55</sup>

Regardless of the actual effect or where the weight of opinion is generated, at least one political leader acknowledged that informed public opinion is difficult to ignore in a crisis:

Nowadays there can be mass sentiment about human rights abuses anywhere in the world because of information technology. And you know the communities of the world demand that action be taken against cruelty, against human abuse. And governments have to work out ways of doing that and my point is that in the case of East Timor we did find a way of doing so.<sup>56</sup>

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23 November 1999. Although there was little if any public disagreement with the measure, the Government never implemented it.

54 Interview with 064-07. Ashton Calvert also noted public pressure in September 1999, but said the Australian Government remained focused on getting policy 'on a better basis'.

55 Interview with Ashton Calvert.

56 Alexander Downer, 'International Crisis Resolution: The Example of East Timor', Oxford, 26 January 2000, available at <<http://www.dfat.gov.au>>, accessed 23 January 2006.

So while political leaders might promote an issue when popular support is ambivalent or divided, or bury an issue when it runs against their preferred course of action, it is difficult to ignore mass appeal if it arises. That the mass appeal of the East Timor issue suited the government's preferred course of action was undoubtedly a factor that gave the government significant room to move in September 1999.

### Observations about Issue Identification

The Issue Identification phase in national security crises had some very different characteristics from those proposed by Bridgman and Davis. In this case, the Prime Minister, his NSCC ministers, and a few very senior officials—including the Secretary of the Department of Prime Minister and Cabinet (DPM&C), the Prime Minister's International Adviser Michael Thawley, Allan Taylor and some senior DPM&C, Defence, ONA and DFAT officials—played dominant roles by channelling information and identifying policy issues for the government. As a consequence, domestic lobby or interest groups had little real influence on the government despite their efforts through the media, parliamentary inquiries and individual approaches.

External actors were more important than these marginal domestic actors for identifying issues in this case: whether foreign governments, international institutions or (to some extent) nebulous international opinion, these actors created numerous issues for Australian policymakers throughout the year. In one sense, international actors have some similarities with domestic lobby groups: they can change their minds quickly, get caught in their own internal politics and influence some people. Unlike domestic lobby groups, external actors may have significantly more military, diplomatic and financial resources available to them. Some of them also have the potential to deploy these resources quickly to protect or advance their interests. This highlights national security policy as a multi-actor international phenomenon, where the actions of one have consequent effects on others.

The general public's influence upon the Issue Identification phase is more difficult to place. On one hand, the East Timor issue failed, over a long period, to gain 'mass appeal'; it was not even an issue in the Australian federal election of October 1998.<sup>57</sup> While mass appeal grew in September 1999, it is likely that the government would have acted in much the same way without that massive level of support—except perhaps in the way they announced the 'Timor Tax'. While the government's course was no means unalterable, the planning and discussions underway with the United Nations and the United States since

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57 For example, East Timor was not mentioned in an analysis of voter issues by Roy Morgan Research, 'The Mood of the People & the Election—Listen Carefully', Finding No 1001, 1 September 1998, available at <<http://www.roymorgan.com>>, accessed 14 February 2006.

February (and especially March) 1999, and official statements about East Timor that year, allow one to infer that the Australian Government was committed to some kind of intervention before the public demanded it. As a result, this situation would have been very interesting had 'mass appeal' run against the government's preferred policy line, or if the Indonesian Government had not acceded to the intervention force in September 1999.

This evidence allows the 'typical' characteristics of the Issue Identification phase to be modified for crisis policymaking:

- The prime minister, his national security ministers and their senior officials are the dominant domestic actors in issue identification and, by extension, problem definition;
- Foreign actors and events (especially governments) have the ability to place issues on the crisis policy agenda when they intend to harm Australian interests, when the interests of Australia's allies and friends are threatened, and when high levels of interdependence mean that threats to others' interests are viewed as threats to Australia;
- Other domestic actors have a limited ability to identify issues in a crisis; and
- Mass appeal plays a limited role in issue identification.

## Policy Analysis

The second phase of the policy cycle involves analysis of the policy issue, which is defined by Bridgman and Davis as using research and logic to develop options for decision-makers.<sup>58</sup> The Policy Analysis phase has five main characteristics in their model:

- A 'rational comprehensive' analytical method is sought, but it may be accompanied by the 'extrarational factors' of judgement, experience and intuition;
- While policy experts (including bureaucrats and ministerial staff) may still dominate, ministers use an increasing range of non-government sources for analysis;
- The process is iterative because information is incomplete, people disagree over objectives and parameters shift;

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58 Bridgman and Davis, *The Australian Policy Handbook*, p. 47.

- Policy is analysed according to the dominant ‘framework’ of the policy area; and
- Policy is presented as options for decision-makers.<sup>59</sup>

This phase is about the way policymakers define, evaluate and then present alternative courses of action to the decision-makers in Cabinet. While crisis policymaking shows certain similarities with the model, there are some differences, including a greater role for extrarational factors in crises and little to support any significant role for ‘outside experts’.

### Anything but a rational-comprehensive method

Policy departments are generally structured and organised to perform policy analysis in a rational and comprehensive manner. This is particularly evident in Defence, where a structured policymaking process starts from top-level policy documents such as white papers, and ends with decisions to buy equipment, develop different kinds of combat units or execute military operations.<sup>60</sup> Despite acknowledging this ‘ideal’, Bridgman and Davis believe strictly rational policy analysis is rare because it is difficult to achieve agreement on the aims and to develop a clear understanding of the means available.<sup>61</sup> The East Timor case confirms the tenuous position of the rational-comprehensive method, and shows how analysis is influenced by a range of extra-rational means when policymakers are dealing with a crisis and are hampered by shifting national objectives.

Most of the major policy analysis in the East Timor case was conducted by small groups of very senior officials and a few working groups or task forces that formed just for this crisis. The influence of small groups of senior officials was clearly seen in the production of the Howard Letter. In this instance, only about 10 people had knowledge of the letter or input into its contents.<sup>62</sup> While this policy was developed and implemented with speed and secrecy, the full

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59 Bridgman and Davis, *The Australian Policy Handbook*, pp. 47–57.

60 Defence produced a new white paper immediately after the East Timor crisis, published as Department of Defence, *Defence 2000—Our Future Defence Force*, Commonwealth of Australia, Canberra, 2000. The most recent white paper is Department of Defence, *Defending Australia in the Asia-Pacific Century: Force 2030*, Commonwealth of Australia, Canberra, 2009. In between these documents, the Australian Government frequently reviewed defence policy through documents such as Department of Defence, *Australia’s National Security: A Defence Update 2007*, Commonwealth of Australia, Canberra, 2007. Defence’s contemporary, structured policymaking process is described in Department of Defence, *Strategy Planning Framework Handbook*, Defence Publishing Service, Canberra, 2006.

61 Bridgman and Davis, *The Australian Policy Handbook*, pp. 48–49.

62 See above in Chapter 2, pp. 18–19. It is important to note that the overall policy direction toward East Timor was canvassed among a wider group of officials in mid-1998. However, the entire group was not directly consulted on the actual detail of the subsequent letter to President B.J. Habibie (Interview with Hugh White), and Defence was not permitted to produce papers on East Timor around this time without the express permission of its minister (Interview with Paul Barratt).

range of consequences was not anticipated. As a result, the implications for the full range of policy instruments—particularly for the Australian Defence Force (ADF)—were not canvassed before the letter was sent.<sup>63</sup>

Other small groups of more junior officials had important roles in managing the crisis (as outlined in Chapters 1 and 2), and most of these were formed and structured to promote rational-comprehensive consideration. Thus Defence's East Timor Working Group and the Department of Prime Minister and Cabinet's (DPM&C) Paterson Committee were designed to ensure that expertise and information could be pooled from all the major stakeholders, and work could be conducted under the auspices of different authorities. For example, Defence's working group met frequently up until the 30 August ballot (noticeably, with shorter meeting durations as time went on), and these helped to work through different opinions among agencies.<sup>64</sup> However, these meetings were also mainly information exchanges and tasking opportunities rather than policy discussions.<sup>65</sup>

Despite these structural attempts to unify analysis, policymaking could scarcely be described as comprehensive or rational in that it followed known or repeatable processes toward agreed objectives. Hugh White described policy analysis during the crisis in this way:

I think you would have to say that it was not a rational process that started with a clear set of objectives and then took an orderly set of steps towards achieving those objectives. It was a process that aimed to manage the consequences of events as they broke over us, with a very broad sense of a few long-term preferences ... so I don't think it was a structured or formal policy process, nor was it a tightly documented process either. There is no doubt about that..<sup>66</sup>

More junior officials working within Defence and DFAT confirmed this view:

My sense was the decision-making and reaction to the announcement was made between individuals at high levels, and that a lot of us in policy development and planning were pretty much playing catch-up. We were pretty much in the dark. In the first few weeks after the

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63 Interviews with John Moore, Chris Barrie, Paul Barratt, Hugh White and Allan Behm.

64 Interview with 035-05.

65 Interview with Andrew Hughes, who had direct involvement in AFP planning for UNAMET. Hughes described how some operational issues were discussed openly and forcefully in interdepartmental meetings around September 1999.

66 Interview with Hugh White.

[Howard] Letter, we provided advice on some of the planning issues and implications, but the actual policy decisions that lay behind were made hurriedly, in corridors and by telephone calls among key people.<sup>67</sup>

... but I got this sense throughout, certainly over at DFAT, that we were never working to a grand strategic plan or meeting grand strategic objectives, other than general stability in the region—which is an overriding objective—and facilitating the process with least cost to Australia.<sup>68</sup>

A major main reason why policy analysis unfolded in this way was the continued change in Australia's strategic objectives throughout the crisis. As Table 7 shows, Australia's strategic objectives around this crisis went through numerous iterations in 1998 and 1999, to the point where none of the four main objectives from December 1998 and March 1999 had been achieved by September 1999. While most interviewees referred to the relationship with Indonesia, including Australia's overriding interest in avoiding conflict and ensuring Indonesia's stability and transition to a democracy as priority objectives throughout the year, other objectives changed throughout.<sup>69</sup> Those changes were not peripheral. They included, for example, a change in the desired future status of East Timor from autonomy within Indonesia (held until at least June 1999) to 'painless divorce' by September. They also changed from not wanting to involve the ADF in operations in Indonesian territory, to leadership of an international coalition. In other words, the objectives for policy analysis—the bedrock of the rational-comprehensive approach—evolved until the Australian Government adopted the emerging reality of an independent East Timor as its policy objective.

Policymakers were also under significant time pressure at different points during the crisis. For example, issues would sometimes be raised in the NSCC for decision that day. There was simply no time to go through formal processes or to seek other opinions. NSCC members and officials applied what they knew of their objectives in a largely intuitive way to the new situation to produce a decision.<sup>70</sup>

In some instances, the range of inputs for policy analysis might have been deliberately restricted for tactical reasons. White noted that warning of the Howard Letter might have jeopardised the process, either by giving Indonesia

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67 Interview with Matt Skoien.

68 Interview with 062-07.

69 This view of Australia's interests was supported in interviews with Hugh White; Interviewee 024-05; Aldo Borgu; and Interviewee 032-05, by telephone, 29 September 2005, identity protected. Another who supported this view was Woolcott, p. 29. A number of other interests were also mentioned during interviews, including the desire to avoid refugee flows from East Timor and Indonesia, and the importance of perceptions of Australian leadership credentials in the region.

70 Interviews with Hugh White and Paul Barratt.

time to refuse the initiative or by giving critics enough time to rally potential opposition. William Maley and Lansell Taudevin also point to this issue, but they ascribe it to a view that the officials involved in policy analysis do not want to listen to dissenting views.<sup>71</sup> The desire to maintain secrecy by using a compartmentalised planning process also restricts the number of people involved in policy analysis. This control became more pronounced after policy and intelligence information leaked in mid-1999.

**Table 7: Australia’s Strategic Objectives—March to September 1999**

Date	Objectives	Sources
December 1998	‘It might be worth considering, therefore, a means of addressing the East Timorese desire for an act of self-determination in a manner which avoids an early and final decision on the future status of the province. One way of doing this would be to build into the autonomy package a review mechanism along the lines of the Maignon Accords in New Caledonia ... The successful implementation of an autonomy package with a built-in review mechanism would allow time to convince the East Timorese of the benefits of autonomy within the Indonesian Republic.’	‘Howard Letter’ (see Appendix 1)
March 1999	<ul style="list-style-type: none"> <li>• East Timor would remain a part of Indonesia.</li> <li>• East Timor does not disrupt Australian-Indonesian relations.</li> <li>• East Timor does not disrupt ADF-TNI relations.</li> <li>• Australia does not have large parts of the ADF deployed in East Timor.</li> </ul>	Interview with Hugh White
March 1999	<ul style="list-style-type: none"> <li>• Seek engagement with Indonesia to develop a sense of shared strategic interest.</li> <li>• Enhance Indonesia’s self-defence capabilities and interoperability between the ADF and TNI in key areas.</li> </ul> <p>In relation to an ‘independent’ Timor:</p> <ul style="list-style-type: none"> <li>• For East Timor not to develop close military ties with a country hostile to Australia.</li> <li>• For East Timor not to disrupt the territorial integrity of Indonesia</li> </ul>	Department of Defence (a)

71 See William Maley, ‘Australia and the East Timor Crisis: Some Critical Comments’, *Australian Journal of International Affairs*, vol. 54, no. 2, 2000, p. 159; and Lansell Taudevin, *East Timor: Too Little Too Late*, Duffy and Snellgrove, Sydney, 1999, pp. 247–50.

March 1999	<ul style="list-style-type: none"> <li>Continued recognition of Indonesian sovereignty over East Timor.</li> <li>Support for close involvement of the people of East Timor in decisions about their future.</li> <li>Support for an act of self-determination ... preferably following a long period of autonomy, while accepting the possibility of independence.</li> <li>Reconciliation among East Timorese.</li> <li>Support for a peaceful and orderly transition.</li> <li>Support for the long-term development of East Timor.</li> </ul>	DFAT (b)
1 August 1999	'It makes sense for us to be neutral and let the people of East Timor make up their own minds without us influencing them.'	Interview with Alexander Downer (c)
20 September 1999	<ul style="list-style-type: none"> <li>Restore peace and security</li> <li>Protect the United Nations mission and enable it to carry out its functions</li> <li>Facilitate the delivery of humanitarian assistance</li> </ul>	Deputy Prime Minister John Anderson (d)
September 1999	<p>'The military had to get in, deliver the Security Council Resolution, get out and get a UN blue helmet operation in ...</p> <p>The other objective was to minimise the regional damage from leading a regional coalition [into East Timor].'</p>	Interview with Michael Scrafton
September 1999	<ul style="list-style-type: none"> <li>'Don't go to war with Indonesia.'</li> <li>'Try to undertake this in a way that keeps relations with Jakarta on an even keel.'</li> <li>'[Lead] the operation, at least in the early phases, but not in a high profile or public way [and] not get people killed.'</li> </ul>	Interview with 009-05
August–September 1999	'Ensure a painless divorce.'	Interview with 032-05

Sources: (a) Department of Defence, 'Department of Defence Submission', *Senate Foreign Affairs, Defence and Trade References Committee, Additional Information, Volume 5*, Commonwealth of Australia, Canberra, 1999, p. 111; (b) Department of Foreign Affairs and Trade, *Submission*, p. 046; (c) L. Murdoch, 'We're Neutral On Timor: Downer', *Sun Herald* (Melbourne), 1 August 1999, p. 35.; and (d) Mr John Anderson MP, 'East Timor: Peacekeeping', *House of Representatives Official Hansard*, 20 September 1999, p. 9925.

Judgement, or having a sense of the issues, was mentioned by a number of interviewees:

In these situations you just have to make a judgement about what the appropriate way is ...<sup>72</sup>

72 Interview with 048-06.

There was a sense in which to some people, I think Habibie himself and some of his advisers, they were sort of weary of East Timor ...<sup>73</sup>

The first is that very early on, they had a sense this was getting out of control.<sup>74</sup>

While these quotes are given in different contexts about different aspects of the case, they demonstrate the importance of *coup d'oeil*—the ‘inward eye’ or intuition<sup>75</sup>—that senior leaders reputedly use to come to quick judgements about complex situations. White described the approach to analysis in a slightly different way:

It [analysis] was much less formalised than the equivalent military deliberate planning process, where someone writes down the aim, situation and the constraints and the rest of it. There is a bit of a cultural point there. That’s not the way a civilian policy culture tends to work.<sup>76</sup>

While decision-making will be discussed in Chapter 5, these examples show the importance of the extra-rational factors of experience, intuition and individual critical skills in policy analysis.

While forgoing a rational-comprehensive analytical process may have advantages in terms of speed and security, less-thorough analytical processes can have less than satisfactory consequences. For instance, the process for developing the Howard Letter shows how implications can be overlooked; while the ability to influence the 5 May Agreement was criticised as a missed opportunity to shape policy in Australia’s favour. White recalled:

We also failed to recognise—which we would have if we had run through a more formal policy process—that the critical pressure point ... [was] the negotiations in New York that led to the Tripartite Agreement. The fact that we failed to make any significant attempt to make an impact on those negotiations beyond the conversations we had with Vendrell when he was here in March meant that the opportunity to press for a full-scale military peacekeeping operation in the pre-popular consultation was lost, and it was lost by the lack of an appreciation that such a force was strongly in Australia’s interests. That was a position we ended up pushing, but we failed to recognise that soon enough or recognise what to do to bring it about soon enough.<sup>77</sup>

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73 Interview with Ashton Calvert.

74 Interview with Hugh White.

75 This concept is drawn from Clausewitz’s writings about military genius (Carl von Clausewitz, *On War*, trans Michael Howard and Peter Paret, Princeton University Press, Princeton, 1976, pp. 102–103).

76 Interview with Hugh White.

77 Interview with Hugh White. Others would disagree and argue that Australia was formally excluded from the Tripartite process and had been asking the Indonesians to accept international help to maintain security

## An iterative process

Policymaking in this crisis tended to follow an iterative process. In this case, the main issues for iteration included the government's position on the future status of East Timor and the ADF's prospective roles in the event of a military commitment.

As Table 7 shows (above), the government's preferred position on the future status of East Timor started as 'an act of self-determination in a manner which avoids an early and final decision on the future status of the province' in December 1998.<sup>78</sup> By March 1999 this preferred status had been modified to 'support for an act of self-determination ... preferably following a long period of autonomy, while accepting the possibility of independence'.<sup>79</sup> By late September 1999, the preferred outcome had become a highly pragmatic 'painless divorce'.<sup>80</sup>

The changes in national objectives had a significant impact on Defence and the ADF. In January, when the mission was still unclear, the ADF produced a discussion paper covering a broad range of military options to explain the types of forces that could be assembled, their broad military capabilities (from peace monitoring to combat operations), and the indicative cost of each option. Political direction soon settled on a mid-range option, where the intervention would take the form of a services-assisted evacuation—a mission of short duration that involves only a minimum level of offensive combat capability. With this tasking, Defence increased the readiness of 1st Australian Brigade for peace operations and leased a fast catamaran (named the HMAS *Jervis Bay* once in service) to provide additional troop-lift and cover the planned maintenance for HMAS *Tobruk*.<sup>81</sup> However, after the violence of early September and firming of the US position against taking a leadership role, the assumed commitment of providing 2000 troops to an international mission or even fewer to an evacuation grew to over 5000 troops, and included the new and unexpected role of leading that coalition.<sup>82</sup>

These two instances show that the ability of strategic objectives to change and the importance of external factors in national security policymaking make an

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during the ballot since January (Interview with Ashton Calvert). Francesc Vendrell was the Director, Asia and the Pacific Division, UN Department of Political Affairs.

78 See the Howard Letter in Department of Foreign Affairs and Trade, *East Timor in Transition 1998–2000: An Australian Policy Challenge*, p. 182 (reproduced as an appendix below).

79 Department of Foreign Affairs and Trade and AusAID, 'Submission to the Senate Foreign Affairs, Defence and Trade References Committee Inquiry into East Timor', *Senate Foreign Affairs, Defence and Trade References Committee, Additional Information*, vol. 5, Commonwealth of Australia, Canberra, 1999, p. 046.

80 Interview with 032-05.

81 Interviews with 035-05 and Bob Treloar, who led ADF operational planning in 1999.

82 Greenless and Garran, *Deliverance: The Inside Story of East Timor's Fight for Freedom*, p. 239. The figure of 2000 troops was given by Defence Minister John Moore, and quoted in Jane Nelson, 'Australia ready to go to Timor without US', *Reuters News*, 9 September 1999.

iterative process almost mandatory. Events that create surprise, such as Habibie's offer of a referendum, introduce new dimensions that make a review of previous decisions necessary. On the military side, the continuing deterioration of the security situation and the changing nature of the task meant that Defence had to create new planning organisations, and the ADF had to bring additional units to operational readiness. The broader international interest in events (especially in September 1999) meant that DFAT and Defence had to conduct more careful consultation with potential coalition partners in a very short period.

### Policy insiders dominate ... period

This case shows how crisis policymaking is dominated by internal policy experts—with expertise being largely defined by one's official role. As the preceding section noted, only a small number of people were closely involved in policymaking: namely ministers and their advisers, appointed career officials drawn from the main national security policy departments, senior officials of agencies with immediate involvement as policy instruments (such as the AFP and AEC), and the intelligence community. Although external parties attempted to influence decisions (as noted in the section on Issue Identification), this had minimal impact. One such example was noted by Maley, who lamented his failed attempt to convince DFAT officials about the need for preparations for the 'worst case'.<sup>83</sup> Another example was an attempt by the Centre for Democratic Institutions to identify the main issues concerning the forthcoming ballot. This workshop had official involvement, but it seems little emphasis was placed on getting information from it.<sup>84</sup> These examples show how domestic groups or individuals outside government have difficulty when trying to influence the Policy Analysis phase in crises.

Nor does every department and agency get to play equally in the Policy Analysis phase for national security issues. It is possible to identify four groups in this case, although there was some flexibility in this taxonomy. The first was the policy-driving group consisting of DFAT and Defence, where the former was first among equals. These departments used key committees such as the NSCC and the Strategic Policy Coordination Group (SPCG), and their authority over policy submissions, to control the major bureaucratic initiatives in 1999.

The second group consisted of advice agencies such as AFP, AEC and AusAID. Each group was widely consulted on the details of its involvement, but generally

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83 Maley, 'Australia and the East Timor Crisis', p. 160, note 167.

84 While this workshop was a 'second track diplomacy' (officials-to-officials) meeting, it helped officials within the Australian Government to identify potential problems with the ballot process. While two Australian Government officials spoke at the workshop, there were no others listed among the participants despite the wide range of East Timorese participants. See Centre for Democratic Institutions, *Managing Transition in East Timor Workshop*, Australian National University, 26–29 April 1999; and Interview with 012-05.

the advice agencies would only provide information on their specialist area or comments on submissions drafted by the lead agency.<sup>85</sup> Andrew Hughes' response was typical of those from advice agencies: I wasn't expected to advise much on issues of national policy. Mine was more a technical role. ... I'd also give updates on how we were tracking, training our people, and the logistics of that.<sup>86</sup>

Advice agencies might also undertake their own analysis, but this was often in response to a request by others. For instance, AusAID conducted an assessment of the humanitarian situation in East Timor in March 1999 at the request of the foreign minister.<sup>87</sup> Intelligence agencies play a different role, primarily due to the strict doctrinal separation between policy and intelligence. As a result, one may expect to find that the Australian intelligence agencies played no role in policy analysis—but that would underestimate the individuals who represented their agencies and their ability to present information in a way that shaped policy discussion.

DPM&C falls into its own category. This department played a central role in setting the broad direction of policy, and also a coordinating role. Thus DPM&C was a key player on the main committees, and individuals within it could be—and reportedly were—influential in discussions. The department could also exercise an informal veto over policy proposals.<sup>88</sup> But the small size of DPM&C and vast range of issues to be covered in 1999 meant that its officers tended to play a background role, speaking up when they needed to, but leaving the main analytical work to the other departments.

Lastly, some groups could have played a role in this crisis but did not. Foremost among these were the Treasury and the Department of Finance and Administration (DOFA). In the Australian system, the Treasury provides economic policy advice to government and DOFA manages the Commonwealth's budget (among other responsibilities). Aside from DOFA's routine advice on budgets, neither department appeared to play a significant role.<sup>89</sup> The implications of their absence will be discussed in the next section on policy instruments.

## Dominant frameworks

Discussions of 'dominant frameworks' or 'paradigms' in policymaking are often loaded and vitriolic—loaded in the sense that dominant paradigms are considered inherently bad and a limit on creative thought, and vitriolic in that

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85 Interviews with Steve Darvill and Andrew Hughes.

86 Interview with Andrew Hughes.

87 Department of Foreign Affairs and Trade and AusAID, 'Submission', pp. 076–085.

88 Interview with Michael Keating.

89 No person interviewed for this study could remember a significant instance of involvement by either Treasury or the Department of Finance and Administration.

policymakers who follow the dominant framework are often accused of being narrow-minded and inflexible.<sup>90</sup> The discussion of frameworks also touches on the structure/agency debate, for it implies people are unable to think or act beyond the structurally mandated assumptions of their organisation. This discussion tries to avoid a judgemental position, noting instead that both DFAT and Defence made different assumptions about what Australia should be preparing for in 1999, and these assumptions took the character of separate dominant frameworks.

Based on the evidence gathered during the interviews, DFAT's actions concerning East Timor in 1999 could be characterised as adopting a 'best case' position. This view contributed to a policy preference of pressuring the Indonesian Government to keep its word and maintain security which, in turn, made it essential to minimise activity that might betray that position.

The reasons for taking such a position may not be related to a dominant framework. Avoiding situations that would antagonise Indonesia, and perhaps lead to a disruption of ties before the popular consultation, made policy sense to many. Viewed another way, this focus on the best case may have also been necessary because DFAT has relatively few resources to assign to problems. DFAT probably only had around 15–20 policy officers assigned to the East Timor issue before mid-September 1999.<sup>91</sup> It is reasonable to expect that, with so few resources available, effort would be focused on limited, most likely options.

However, a number of interviewees (notably from outside DFAT) felt this tendency to plan for the best case represented DFAT's preferred way of thinking:

DFAT is inclined to think optimistically (so their) focus was therefore on avoiding conflict ...<sup>92</sup>

DFAT has a kind of 'beautiful idealism' that is its main operational paradigm. That is, you can negotiate your way out of everything and that diplomacy will always solve the problem.<sup>93</sup>

... it was you [Defence] take a dim view, we'll [DFAT] take the rose-tinted view and never the twain shall meet.<sup>94</sup>

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90 For example, see Maley, 'Australia and the East Timor Crisis', pp. 158–60.

91 This figure should be compared to the resources devoted by Defence to this crisis at the strategic level. In addition to the nearly 30 people involved in the East Timor Policy Unit, many of Strategic Command Division's 30 staff were working on crisis issues. The author observed at least 15 policy officers working on this crisis within Army Headquarters—a number probably replicated in Air Force and Navy Headquarters as well. The Defence Intelligence Organisation also had a small, 24-hour crisis action team.

92 Interview with Hugh White.

93 Interview with Allan Behm.

94 Interview with 046-06.

While empirical work by Allan Gyngell and Michael Wesley would dispute the presence of an idealistic streak in DFAT's culture,<sup>95</sup> Defence's approach was noticeably different because it revolved around planning for a broad range of contingencies before focusing on the worst case, which is often defined in terms of levels of violence or resources.<sup>96</sup> But even Defence was not planning for the worst case before September 1999, because—as mentioned earlier—it has been directed to prepare for a Services-assisted evacuation only.

Defence's own difficulty with seeing problems through its dominant framework of operations was demonstrated by the way little planning was conducted for the nation-building aspects of the intervention. According to one interviewee:

My area ... started to see some of the operational planning coming out of Defence, and we saw what we thought were some gaps in that—in terms of aid to the civil power when there was no civil power. And we started asking questions about how the 'civilian' side was going to be managed. Who was going to be doing the electricity supply, water and administrative tasks? We had a strong sense that Defence's planning up to that stage had not considered those questions. Very good [operational] planning to get troops on the ground and to get control and establish order, but the next step did not seem to us to have been well-considered.<sup>97</sup>

This view of events was supported by other interviewees, who acknowledged little had been done to prepare for the post-intervention phase of the crisis.<sup>98</sup> Then-Chief of the Defence Force Chris Barrie acknowledged that the intervention was always going to involve more than just stabilising the situation, but stressed that Defence's priority was to restore law and order:

Our mandate was to provide security. The actual nation-building and stuff belonged to the UN, but blind Freddie could have seen that was going to come out of Australia. It had to. And the sooner we can hand the whole thing off to the UN the better.<sup>99</sup>

The curious issue here is that Australia led INTERFET because the United Nations could not have organised its own force in time to prevent more destruction in Timor.<sup>100</sup> Why would anyone have thought that the United Nations could organise a nation-building operation any faster? A related issue concerned the

95 Gyngell and Wesley, *Making Australian Foreign Policy*, pp. 73–77.

96 This view was also expressed by John Castellow. His comments show that the 'worst-case' view is a trait held by more than one nation's military.

97 Interview with 028-05.

98 Interviews with Chris Barrie and Michael Scrafton.

99 Interview with Chris Barrie.

100 Department of Foreign Affairs and Trade, *East Timor*, p. 133. Geoffrey Robinson wrote that he was told it would take three months to deploy a UN peacekeeping force ('With UNAMET in East Timor—An Historian's

idea that operations and nation-building would occur sequentially—that is, the force would restore order, then others would come in to restore services and ultimately develop national institutions. As the experience of Timor and elsewhere shows, this is faulty thinking because people will become impatient while the follow-on organisations prepare themselves—some will try to seize political power themselves, while others may resort to new forms of violence to assert their position. This type of thinking shows the difficulties of working within dominant paradigms and provides some evidence for the benefits of adopting a more integrated, ‘whole-of-government’ approach to national security policymaking.

Despite this, there were a number of instances where the dominant paradigm was sidelined, including the way DFAT allocated some diplomatic tasks to Defence officials, and the way officials cooperated in a range of committees. This shows a significant pragmatic (and often cooperative) streak in crisis policymaking, and also shows that dominant frameworks may be shaped or resisted by individuals. One interviewee also argued that, at the very top level, the NSCC proved successful at bringing convergence in thinking which made dominant frameworks unimportant.<sup>101</sup> This convergence was assisted by the presence of a very influential prime minister and strong ministers, and also the situation itself. The presence of ministerial advisers in the Policy Analysis phase adds another element that can break the dominant framework down.

### Observations about policy analysis

The East Timor case study shows the need for modifications to Bridgman and Davis’ characteristics during crisis policymaking. The first change is the need to empathise extra-rational factors, such as judgement, in crisis. The way key policy advice appears to have been generated—in this case—by the top layer of officials, and the limited attention paid to formal analysis of the options through methods such as cost benefit analysis, military appreciations or the like, supports observations by other observers of policymaking. For example, Yehezkel Dror argues that the limited knowledge of policymakers (and indeed the changing nature of goals) constricts the ability to conduct rational processes. He went on to argue that rational processes must be replaced by something else, such as judgement, intuition or heuristics.<sup>102</sup> This phenomenon has been observed in the East Timor case, as key decisions such as the Howard Letter were taken without

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Personal View’, in Richard Tanter, Mark Selden and Stephen Shalom (eds), *Bitter Flowers, Sweet Flowers: East Timor, Indonesia and the World Community*, Rowman and Littlefield, Lanham, MD, 2001, p. 62). See also the earlier discussion about how the United Nations needed five months to deploy a peacekeeping force.

101 Interview with Ashton Calvert.

102 Yehezkel Dror, *Public Policymaking Reexamined*, Chandler Publishing Company, Scranton, NJ, 1968, p. 158.

a strict reliance on a rational-comprehensive analytical method. Experience, judgement and understanding of somewhat intangible national objectives seem to have played the dominant role in this instance.

There is also an argument that results, not processes, are important in policy analysis.<sup>103</sup> After all, it is possible for an individual to conduct this phase alone and come up with a suitable answer. However, reliance on the 'heroic individual' has limits and represents a significant gamble. In this case, the flaws were shown in the apparent lack of effort applied by the Australian Government to influence the Tripartite Talks, and unforeseen implications of policy action such as the Howard Letter. These shortcomings echo Irving Janis and Patrick Haney, who identify a strong relationship between poor process and unfavourable outcomes.<sup>104</sup> It would therefore seem best to design and use a good analytical process, and then adapt it to fit the situation.

It is difficult to overlook the central role played by ministers in analysis during a crisis. In this case, there were occasions where the prime minister brought newly-emerging issues straight to the NSCC, and the ministers themselves became analysts as they discussed the latest occurrences. They did so based on their general knowledge of the situation and their detailed knowledge of the most recent events. This involvement should not be seen as an aberration, according to Hugh White:

It's the PM [prime minister] who has been onto the phone to Kofi Annan overnight, and while someone would have written up a record it won't have been widely distributed. So the people down lower won't know about what the PM said to Kofi Annan, and they certainly won't know what ministers said to each other.<sup>105</sup>

Ministerial advisers are another important group of insiders during the policy analysis phase. At times, ministers are briefed by their advisers on important proposals, and the advisers are expected to identify the political and policy implications and merits of each. The proximity of advisers also gives them an

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103 This is probably an argument that Howard himself would make. In his analysis of Howard's leadership style, Paul Kelly notes that 'he thinks like a practitioner who judges governance more by its policy and political outcomes than as a system in its own right'. See Paul Kelly, 'How Howard Governs', in Nick Cater (ed.), *The Howard Factor: A Decade that Changed the Nation*, Melbourne University Press, Carlton, 2006, p. 4.

104 Irving L. Janis, *Crucial Decisions: Leadership in Policymaking and Crisis Management*, The Free Press, New York, 1989, pp. 126–34; and Patrick Haney, *Organizing for Foreign Policy Crises: Presidents, Advisers and the Management of Decision Making*, University of Michigan Press, Ann Arbor, 1997, pp. 124–25.

105 Interview with Hugh White. Eliot Cohen also demonstrates the importance of political leaders in analysis (*Supreme Command: soldiers, statesmen and leadership in wartime*, Simon and Schuster, London, 2003).

opportunity to influence the minister's thinking, often at critical times. How advisers use their position is often up to the minister's preferences, the advisor's personality and the confidence between departments and the advisers.<sup>106</sup>

The earlier discussion of bodies such as Defence's East Timor Policy Unit (ETPU) and the Taylor Committee, and the discussion of the iterative and fast-paced nature of policymaking in this section also show that structures and systems designed to conduct policy analysis in routine situations are not necessarily suited to coping with crises. Instead, organisations may prefer to establish small groups to focus on the issue and provide analysis directly to senior leaders.

However, a number of people interviewed for this study were either openly critical or unsure whether such *ad hoc* arrangements actually made a positive contribution to policymaking. Some felt the creation of new bodies created overlaps and extra work for already strained policy organisations. Further, people who joined the process late in the crisis often spoke of the 'steep learning curve' as they adjusted to both their assigned role and the issues involved in the crisis. Both these negative points raise real questions about whether creating new policy organisations in the midst of a crisis are likely to deliver reliable results.

The different assumptions made by DFAT and Defence, particularly in regards to balancing the competing 'signals' that would be sent by overt military preparations, provides a good example of the influence of dominant frameworks. However, that such different positions were accommodated in this case shows that 'dominant' need not be 'deterministic': strong political leadership can work to stop these frameworks from becoming a source of destructive competition. Dominant frameworks can have other influences though. In this case, the lack of preparation for nation-building tasks may be attributable to the ADF's overwhelming focus on the evacuation and intervention missions as its first priorities. Conversely, a lack of understanding about responsibilities between Australia and the United Nations during a very hectic period could also explain why some assumptions appear to have been made about the international response to the East Timor crisis.

This evidence allows the 'typical' characteristics for this phase to be modified for crisis policymaking:

- Where the ability to conduct rational-comprehensive analysis is limited in a crisis, decision-makers turn to trusted sources of advice or become their own

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106 Interviews with 051-06 and Aldo Borgu. The role of advisers was not consistent across ministerial offices. One described his minister's disdain for advisers trying to 'second guess' the department (Interview with 064-07).

analysts. This can change the structure of policymaking and which actors will be influential;

- Policy issues are rarely analysed as individual, discrete problems, and the nature of competition between issues and interests, and the consequent influence on the issue at hand, makes analysis iterative;
- Policy insiders dominate; and
- Where dominant frameworks exist, they are likely to be noticeable where there is no clear lead for a crisis.

## Policy Instruments

The third phase of the policy cycle involves considering the means, called policy instruments, to achieve the government's ends. The main characteristics of this phase in Bridgman and Davis's model are:

- The instruments most used in Australia include financial, legal, advocacy and government action; and
- There are limitations upon what the government can do with its policy instruments.<sup>107</sup>

Of the instruments used in crises, it should be no surprise that diplomatic and military instruments are more prominent than those identified for domestic policy issues. However, this case also shows how the Australian Government used instruments beyond those normally considered in the context of national security, such as the electoral commission. This case study also confirms that the utility of a given policy instrument is highly situational, not least for its potential to precipitate detrimental consequences if used. More worryingly, some parts of the military instrument would not have been ready or sustainable for offshore operations had they been needed to conduct a more intense combat campaign.

### Australian policy instruments

Diplomacy was an essential policy instrument, and the Australian Government used both DFAT and Defence extensively for diplomatic purposes during this crisis. As on other occasions, DFAT used its embassies, delegations and informal contacts with a number of agencies and individuals to advocate Australia's position. DFAT was also the most prominent Australian organisation used

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107 Bridgman and Davis, *The Australian Policy Handbook*, pp. 70–77.

in consultations with East Timorese, Indonesian and UN leaders in the early period. These consultations included the work by DFAT officials in June 1998 and the visits to Jakarta, New York and Washington by Downer and his senior officials.<sup>108</sup> DFAT also facilitated a range of other forums, such as intra-Timorese reconciliation meetings and later a 'Group of Friends' on East Timor.<sup>109</sup>

While DFAT played the major role in planning and executing the diplomatic effort, Defence's part was important in terms of engaging the Indonesians and regional neighbours in 1999. These activities included indirect advocacy during a joint Australia-Indonesia forum from

9–11 March,<sup>110</sup> and direct approaches by Air Marshal Doug Riding and Allan Behm to senior TNI leaders in June. Defence's diplomacy also extended to practical areas, such as the efforts made in September 1999 by the acting Deputy Secretary Strategy and Intelligence, Martin Brady, to establish cooperative modes between the Indonesian military and ADF; and the regional tour by the Vice Chief of the Defence Force, Doug Riding, to build support for INTERFET. In addition, Defence's attachés in Indonesia, Brigadier Jim Molan and Colonel Ken Brownrigg, played key roles in putting Australia's position to the TNI and establishing a relationship with Indonesian forces in East Timor so that INTERFET could operate without coming into conflict with Indonesian units.<sup>111</sup>

Other instruments make direct contributions to diplomatic efforts—and they can detract from diplomacy as well. For example, cash donations to the UN Transitional Administration in East Timor (UNTAET) and financial support for intra-East Timorese dialogue supported the broad diplomatic messages of reconciliation, while demonstrations of ADF units and equipment displayed

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108 These were some of the 120 representations made to the Indonesian Government over East Timor during 1998–99, according to John Dauth in his testimony to Foreign Affairs, Defence and Trade References Committee, *Economic, social and political conditions in East Timor*, 13 August 1999, available at <<http://www.aph.gov.au/hansard>>, accessed 6 December 2006, p. 220.

109 Further aims and results of diplomacy will be discussed later in the section on 'Consultation'. The Group of Friends was an informal meeting of concerned UN member states. This group, which included Japan and New Zealand, began meeting after the ballot announcement in an attempt to build a coalition for intervention (see James Cotton, *East Timor, Australia and Regional Order: intervention and its aftermath in Southeast Asia*, Routledge, London, 2004, p. 95).

110 This forum, known as the CDF-Pangab Forum after the respective military leaders, was instituted after the 1995 Agreement on Maintaining Security between Australia and Indonesia. The March 1999 forum was held in Jakarta, and discussed the role of military forces in democratic societies—see Bilveer Singh, *Defense Relations Between Australia and Indonesia in the Post-Cold War Era*, Greenwood, Westport, CT, 2002, p. 126; and Defence Public Affairs, 'Australian/Indonesian Bi-lateral Military Forum', Media Release DPAO 062/99 dated 5 March 1999, available at <<http://www.defence.gov.au>>, accessed 17 November 2007.

111 See Alan Ryan, *Primary responsibilities and primary risks: Australian Defence Force participation in the International Force East Timor*, Land Warfare Studies Centre, Duntroon, Canberra, 2000, p. 40; James Cotton, *East Timor, Australia and Regional Order*, p. 121; Paul Daley, 'Gunning for the General', *Bulletin*, 30 June 2004; and interviews with Allan Behm and Martin Brady. See also Bob Breen, *Mission Accomplished—East Timor*, Allen & Unwin, Crows Nest, NSW, 2000, pp. 7–14 for the role of Defence's attachés in Operation *Spitfire* and the initial deployment of INTERFET.

Australia's will and capability to use force if necessary.<sup>112</sup> It is also important to note the role of political leaders in diplomacy. Aside from Downer's efforts, the prime minister was involved in some direct diplomacy through the December 1998 letter to President Habibie, the Bali Summit of April 1999, the Asia-Pacific Economic Cooperation meeting of September that same year, and the negotiations to establish INTERFET.

While its role in diplomacy was clearly valuable, the ADF's main contribution in this crisis came from its ability to deploy and sustain combat forces offshore as part of an international coalition. This capability was complemented by the ADF's ability to lead the coalition force, provide significant logistic support and integrate intelligence from Australian and international sources. When added together, these capabilities allowed the Australian Government to act quickly and decisively after receiving the UN mandate for INTERFET in mid-September.

Australia's alliance with the United States was another important policy instrument. While there no evidence of consultation between the Australian and US Governments about the Howard Letter, developing a shared policy line was clearly important to Australia by February 1999. This imperative was reflected by DFAT secretary Ashton Calvert's visit to Washington, DC, for talks with his US counterparts in the Department of State. Australian political leaders and officials also continued to promote the need for US engagement, most notably with US Pacific Command (USPACOM) and through counterparts in the US Government.<sup>113</sup> The US Government also used its weight to gain Indonesian acceptance for the intervention at a critical time. Once the decision to commit forces was made the United States provided important support to the mission, most visibly through strategic lift and the Marine force positioned off Timor.

While Australia did not to employ all of its economic instruments in this crisis (a discussion that will be taken up later in this section), development aid and targeted financial assistance were prominent. As mentioned earlier, AusAID directed funds to meeting short- and longer-term humanitarian problems, as well as funding immediate initiatives to support policy. These initiatives extended to providing financial and technical assistance to NGOs working in East Timor.

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112 For example, Allan Behm mentioned the way senior Indonesian officers were reminded of the Australia's long-range bomber capability during visits to Australia, while sensitive intelligence was 'sanitised' (had its source hidden) so blunt messages could be conveyed to senior TNI officers (see also Daley, 'Gunning'; and Interview with 005-06, a former senior ADF officer).

113 Interview with Bob Treloar. He also noted how many of the talks with USPACOM were conducted relatively informally, as 'staff talks' rather than as 'policy talks'. Earl Hailston (the former senior planner for USPACOM) also noted the close relationship between USPACOM and Defence, and stated that he was allowed to maintain closer contact with the Australians than he might have been allowed to do with the military forces of other nations. Recounting his discussions with US Defense Secretary Bill Cohen, John Moore recalled being told that 'Timor was your [Australia's] baby' and that ANZUS did not automatically apply, although consultation did occur without a formal invocation of the treaty.

AusAID also provided technical assistance to policymaking by dispatching assessment teams when requested and organising direct humanitarian assistance on occasions.<sup>114</sup>

The employment of instruments is not without risk, and indeed it is possible for one instrument to work against the needs of another. The latter problem was seen in the conflicting needs of diplomacy and military readiness. As mentioned earlier, the preparation of 1st Brigade had the potential to convey messages that ran counter to other efforts; in this case, to DFAT's preferred policy line that Indonesia would be trusted to manage security and the East Timorese would be encouraged to compromise.<sup>115</sup> That Defence went ahead with preparing 1st Brigade for deployment was a risk, but one that proved worthwhile given the events of September 1999.

The willingness to accept some financial risk to fund the mission was another significant element of Australia's policy response in September. Under normal circumstances, the United Nations establishes elaborate measures to determine funding arrangements for contributions to peacekeeping forces. But these mechanisms take time to build and some nations were reluctant to commit without confirmed funding arrangements. In this case, the Australian Government accepted the risk and paid the deployment costs of some participants, and underwrote a range of other costs until the UN Trust Fund was fully operational. This move was instrumental in keeping negotiations going with a number of countries during INTERFET's early days, and helped to ensure that the force included a broad range of nationalities.<sup>116</sup>

Australia's willingness to bear additional costs also helped to allay concerns and avoid potential ill-feeling with contributing nations. The value of this approach was shown when some contributing nations delivered their forces to Australia without essential military equipment.<sup>117</sup> The necessary equipment was duly loaned by the ADF, and the contingents were able to deploy with minimal delays. When the time came to reconcile the loans, these stores were given as a gift to avoid creating animosity between Australia and the contributing nations.<sup>118</sup>

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114 Interview with Steve Darvill. These assessment missions also included one to Darwin to assess its ability to support UN operations.

115 See Department of Foreign Affairs and Trade, *East Timor in Transition 1998–2000: An Australian Policy Challenge*, pp. 44–45, for the coordinated ministerial response to Indonesia's announcement about the ballot, and the desire to avoid discussing a potential peacekeeping effort.

116 Interview with Steve Ayling. See also Brigadier Steve Ayling and Sarah Guise, 'UNTAC and INTERFET—A Comparative Analysis', *Australian Defence Force Journal*, no. 150, 2001, p. 51; and Ryan, *Primary responsibilities and primary risks: Australian Defence Force participation in the International Force East Timor*, pp. 43–45.

117 Ryan, *Primary responsibilities and primary risks: Australian Defence Force participation in the International Force East Timor*, p. 52.

118 Australian National Audit Office, *Management of Australian Defence Force Deployments to East Timor*, Commonwealth of Australia, Canberra, 2002, paragraphs 2.61–2.62.

This case also shows how a number of departments and agencies contribute different abilities to create additional policy instruments for crises. For example, the AEC helped the United Nations to establish the legal and procedural framework for the electoral process, established systems for voter registration, developed and procured ballot materials, developed training courses and briefing packages, and facilitated voting for East Timorese expatriates in Australia.<sup>119</sup> According to Corina Perelli, these services made a significant contribution to the ballot's outcome.<sup>120</sup> The AFP was important to providing UNAMET with an ability to diffuse problems through the moral authority of international police.<sup>121</sup> And, while less prominent as an 'instrument' in this case, the intelligence community could have employed—or perhaps did employ—some capacity for covert operations and communications disruption.<sup>122</sup>

Other instruments that the government might want to call upon are owned and operated by the private and community sectors. For example, Australia's main telecommunications company, Telstra, assisted the ADF and the fledgling authority in East Timor by providing on-the-ground communications support in Dili.<sup>123</sup> Other examples included the use of commercial shipping to support the INTERFET deployment and the use of a commercial provider for aeromedical evacuation during UNTAET.<sup>124</sup> Further examples are found in the way commercial and non-government organisations helped AusAID to implement its humanitarian program as suppliers and providers of goods and services.<sup>125</sup> These few examples show that the ownership of some policy instruments had clearly moved from government hands by 1999, but the government could—at a price—harness more instruments for policy than it actually owned.

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119 Australian Electoral Commission, 'Submission to the Senate Foreign Affairs, Defence and Trade References Committee: Australian Electoral Commission Support for the East Timor Consultation Ballot', Commonwealth of Australia, Canberra, 1999, pp. 2–8.

120 Corina Perelli was the senior UN election official for UNAMET. Her view was quoted in Australian Electoral Commission, 'Submission to the Senate Foreign Affairs, Defence and Trade References Committee: Australian Electoral Commission Support for the East Timor Consultation Ballot', pp. 1–2.

121 Andrew Hughes thought the AFP's mechanisms for getting support were satisfactory, but spoke of the difficulty with balancing his personal responsibilities for domestic and international crime tasks and this crisis (Interview, 5 September 2005). Tim Dahlstrom spoke of the strain creating the second and subsequent rotations were (or would have been) for the AFP, and the importance of being able to draw upon state police forces to expand their own resources (Interview, 16 August 2005).

122 Ian Dudgeon outlines the roles and capabilities of Australian intelligence agencies in his paper, 'Intelligence Support to the Development and Implementation of Foreign Policies and Strategies', *Security Challenges*, vol. 2, no. 2, July 2006, especially pp. 75–79. He notes the changes to the mandate of the Australian Secret Intelligence Service (ASIS) over time, and it can be inferred from his description that ASIS did not have a covert action capability in 1999. The Defence Signals Directorate is not expressly prohibited from covert operations (such as computer network attack) by legislation, according to Dudgeon (p. 76). Whether this capability was used in 1999 (and indeed, the extent to which it may have existed at the time) cannot be identified through the sources used in this study.

123 Air Vice-Marshal R Treloar, in evidence to Senate Foreign Affairs, Defence and Trade Committee, *Consideration of Additional Estimates (Department of Defence)*, 6 December 1999, p. 67.

124 Breen, *Mission Accomplished—East Timor*, p. 150; and Interview with Kerry Clarke.

125 Interviews with Steve Darvill and Scott Dawson.

## Limitations on instruments

Some Australian policy instruments were not used in this crisis. In some instances they were not perceived as useful, or their use would have created significant negative repercussions. On some occasions, the instruments were not suited to the specific task, perhaps because they have limitations or lack the ability to deal with conditions as they exist. Taken together, these reasons show why the utility of policy instruments will always be highly situational in a crisis.

In the first instance, the government did not view information as a vital element of national power or think deeply about how to employ this instrument systematically.<sup>126</sup> While there were some specific instances where information was applied to achieve national objectives, such as the Riding/Behm visit to TNI leaders, the government missed others. According to Defence, an opportunity to shape the opinion of regional audiences about the intervention was missed, and many people were left to develop a negative perception of Australia's actions.<sup>127</sup> These perceptions were also influenced by anti-INTERFET media reporting in Indonesia,<sup>128</sup> including a magazine article that appeared on 24 September 1999 where Howard did not dispute a journalist's assertion that Australia was the United States' 'deputy sheriff' in the region.<sup>129</sup> This story (and image) was roundly criticised in the regional media and created credibility problems for Australia among some of its neighbours.<sup>130</sup>

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126 The application of information operations is discussed in John Blaxland, *Information-era Manoeuvre: The Australian-led Mission to East Timor*, Working Paper 118, Land Warfare Studies Centre, Canberra, 2002; and Kent Beasley, *Information Operations during Operation Stabilise in East Timor*, Working Paper 120, Land Warfare Studies Centre, Canberra, 2002. Defence's use of the media in 1999 is discussed in more detail in Chapter 7.

127 Australian National Audit Office, *Management of Australian Defence Force Deployments to East Timor*, paragraphs 5.85–5.86. This claim was refuted by DFAT (in the same ANAO report) and Interview with 066-07 (Canberra, 18 December 2007), but a number of articles in regional newspapers provide support. For a sample of the negative reaction, see Zainul Arifin, 'Asean should take the lead in East Timor peacekeeping, says PM', *New Straits Times*, 1 October 1999; Kalinga Seneviratne, 'Australia casts an eye on Timor's oil', *Straits Times*, 24 September 1999; Aleksius Jemadu, 'Can Australia sever ties with Indonesia?', *Jakarta Post*, 20 September 1999; and more neutral statements in newspapers such as *Nation*, 'Editorial—Howard must clarify foreign-policy goals', 29 September 1999. In contrast, some in the region supported Australia's role in the mission—for example, see 'Editorial—Distractions in the Timor issue', *Bangkok Post*, 30 September 1999. Interviewee 066-07 is a Defence official with knowledge of public affairs activities in 1999.

128 Indonesian press reaction to INTERFET, and especially Australia's role in it, included references to Australian brutality and motivation, and asked questions about whether Australia would attack other parts of Indonesia. This reaction is summarised in Kathleen Brahney, 'East Timor: INTERFET Mission Sparks Continued Debate', United States Information Agency—Foreign Media Reaction, 15 October 1999, available at <<http://www.globalsecurity.org>>, accessed 2 January 2008.

129 See Fred Brechley, 'The Howard Defence Doctrine', *Bulletin*, 28 September 1999, pp. 22–24.

130 For examples of regional reactions, see Trevor Datson, 'Australian PM popular at home, blasted in Asia', *Reuters News*, 28 September 1999; Agence France-Presse, 'Malaysian politicians slam "Howard Doctrine"', 24 September 1999; and Agence Presse-France, 'Thailand pans Australian PM over plan to be America's "deputy" in Asia', 24 September 1999.

There were also differing perceptions about the efficacy of applying broader economic instruments to force the Indonesian Government to accept peacekeepers before or after the ballot. While Downer and Defence Minister John Moore made mention of the international community's involvement in the Indonesian economy in media interviews,<sup>131</sup> sanctions were not seen as a viable instrument by Australian policymakers at any time in 1999. This attracted significant criticism from academics who argued that economically vulnerable Indonesia was in no condition to resist international pressure, and gave credit to the International Monetary Fund (IMF) and World Bank for eventually convincing Indonesia to accept INTERFET.<sup>132</sup> Maley takes this further by arguing that economic pressure might have convinced the Indonesian Government to accept a neutral military force in East Timor before the popular consultation.<sup>133</sup> There were some forceful responses to this proposition by Australian policymakers:

We tested the waters as much as we could, and what economic levers did we have? We wanted to bring the Indonesians along, we didn't want to get their backs up and have problems ...<sup>134</sup>

These points were made by people who had never met President Habibie. We didn't have levers on him. Sanctions are traditionally pretty ineffective and we didn't have available to us more refined 'smart sanctions'. Habibie's mind was not going to be changed by such measures, in any case, or by Australia.<sup>135</sup>

... Indonesia was on its knees as a result of the Asian Economic Crisis at the time, they were reacting badly to the IMF intervention ... but at the time we were getting ready to deploy INTERFET, people were actually dying in large numbers on the ground. How long do economic levers take to work?<sup>136</sup>

I would be skeptical about the economic levers argument, as I am not sure what levers we had. Economic levers tend to work [only] in the long-term, and they work on everybody—not just the government—

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131 Defence Public Affairs, 'Transcript, Hon John Moore, MP & Hon Alexander Downer', Commonwealth Offices, Melbourne, 6 September 1999, available at <<http://www.minister.defence.gov.au>>, accessed 12 December 2007.

132 Maley, 'Australia and the East Timor Crisis', pp. 157–58; and James Cotton, 'Against the Grain: The East Timor Intervention', *Survival*, vol. 43, no. 1, 2001, pp. 132–33.

133 Maley, 'Australia and the East Timor Crisis', p. 157; and his testimony to Foreign Affairs, Defence and Trade References Committee, *East Timor in Transition 1998–2000: An Australian Policy Challenge*, 13 August 1999, p. 863.

134 Interview with 024-05.

135 Interview with 032-05.

136 Interview with Michael Scrafton.

when you apply them. It would have been very hard to change short-term Indonesian policies with economic means. ... Indonesians have always been happy to take the hit and wait it out.<sup>137</sup>

When asked whether Australia had considered asking the IMF to pressure Indonesia into allowing a peacekeeping force before the consultation, or whether this option was even discussed, Paul Barratt responded:

Not that I am aware of ... in the Asian meltdown we had sought to ameliorate the worst excesses of the IMF. Downer went into bat on behalf of Indonesia, and I think that was the right way to play it.<sup>138</sup>

This exchange shows that Australian policymakers clearly thought that bringing economic pressure on Indonesia was either impossible or potentially detrimental, or both. What is interesting is that the potential experts on economic power, the Treasury or DOFA, were not clearly engaged in policymaking about East Timor. When asked about their participation, no interviewee described Treasury or DOFA attendance at any of the main interdepartmental working groups, or even any significant consultation, except about funding. This example, in particular, shows that governments make judgements about when and where to apply their instruments. It also shows that just because a government has certain instruments, these instruments are not necessarily available to further policy objectives. Nor will instruments—in this case, using diplomacy alone to convince the Indonesians to accept peacekeepers—always achieve the intended results.

Defence did not use its entire range of military options during INTERFET. Some weapons, such as tanks, were not justified by the level of threat and were potentially damaging to East Timor's underdeveloped road network. Others, such as Australia's F-111 strategic bombers, were used only as a subtle threat. According to one report, these aircraft remained fuelled and armed at the Royal Australian Air Force base Tindal, near Katherine in northern Australia.<sup>139</sup> While this move was not announced, it is an example of how not using an instrument can still have an effect—if the adversary detects the signal.

Policy instruments can also be limited by political decisions. Although the evidence to identify exactly why is not yet publicly available, there are strong indications that the Australian Government chose not to use economic sanctions

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137 Interview with Frank Lewincamp.

138 Interview with Paul Barratt. These institutions eventually played a role when World Bank President James Wolfensohn expressed concern about the violence to President Habibie (see Steven Mufson, 'World Bank Chief Warns Indonesia On Militias', *Washington Post*, 12 September 1999). The International Monetary Fund also expressed concern about the violence before cancelling their planned visit (see William Murray, 'The Situation in Indonesia and the IMF', International Monetary Fund, 16 September 1999, available at <<http://www.imf.org>>, accessed 6 February 2006).

139 Andrew Fowler, 'Flying Blind', *4 Corners*, ABC Television (Australia), 29 October 2007.

because it did not want to start a war or a lasting conflict with Indonesia over East Timor, or jeopardise Indonesia's move towards democracy. It is also possible that the Australian Government may have shied away from overt pressure in order to preserve the bilateral trade relationship. While Indonesia was only Australia's tenth-largest trading partner in 1999, any break in the economic relationship might have caused economic discomfort in Australia as well as Indonesia. These types of political, economic and electoral factors weigh heavily upon political decision-makers, potentially more than the risk of violence in a foreign jurisdiction.<sup>140</sup>

Foreign governments might also restrict the use of some policy instruments. For example, AusAID's Scott Dawson spoke about how the Australian Government's ability to sponsor NGO activities in East Timor before September 1999 was constrained by the Indonesian Government:

There were fairly strict controls about who could work in East Timor which were run out of the foreign ministry and state security apparatus in Jakarta, and that kind of limited the sorts of partnerships that we could make with Australian non-government organisations. None of that [control] existed post-ballot, and ... we were able to make more use of the linkages between church-based NGOs in Australia and church-based NGOs in East Timor.<sup>141</sup>

This type of constraint is usually dictated by sovereignty—states are within their (political) rights to determine who enters their borders and, once there, the activities of those group or individuals. Accepting these conditions is sometimes the price donors must pay to operate in difficult situations.

Policy instruments also have physical limits such as reach, sustainability, survivability and readiness. The ability to use a given instrument at the place or time where it will achieve the desired effect—described as 'reach'—is especially relevant to this case. While Australia has police, military forces, election officials and aid workers, these capabilities must move outside their normal operating areas and be able to work in the appropriate location if they are to contribute as a policy instrument. For example, it was soon apparent that the AFP's communications, air transport and logistics were very limited—although these

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140 The imperative for preventing any major disruption can be extrapolated from the level of bilateral trade (then A\$5bn), in the amount of Australian investment in Indonesia (A\$6bn), in the loans made by the Australian Government to Indonesia after the 1997 economic crisis (A\$1bn), and in the number of Indonesian students who travel to Australia to study (17 000 people in 2000). See Department of Foreign Affairs and Trade, *Direction of Trade Time Series, 2000-01 One Hundred Years of Trade*, Commonwealth of Australia, Canberra, 2002, p. 2 and p. 4; Stephen Sherlock, *Indonesia's Dangerous Transition: The Politics of Recovery and Democratisation*, Australian Parliamentary Library Research Paper 18, Australian Department of the Parliamentary Library, Canberra, 1999; and Department of Foreign Affairs and Trade, *Advancing the National Interest*, Commonwealth of Australia, Canberra, 2003, Chapter 5.

141 Interview with Scott Dawson.

shortcomings were ameliorated by other agencies or commercial contracts. Other AFP limitations included difficulties with preparing and training large groups of police for peacekeeping duties; however, these shortcomings were overcome through cooperation with other agencies.<sup>142</sup> The ability to protect instruments while deployed may be another limitation, which was seen in the way the AEC was reportedly unwilling to send staff into East Timor due to safety concerns.<sup>143</sup>

Deficiencies in logistics, lift, combat equipment and communications were also identified within Defence.<sup>144</sup> Significant concerns were raised about the amount of body armour and night vision equipment available to the deploying forces,<sup>145</sup> and about the ability to rotate infantry units.<sup>146</sup> However, other possible deficiencies did not become obvious because the operation's scale and intensity prevented 'survivability' from coming to attention. It should also be noted that the ADF did not deploy its full range of military capabilities to East Timor. Tank units, medium artillery and strike bombers all remained outside the territory and its airspace. These units were not deployed for a range of reasons, including the absence of a real military need. Despite having some ability to contribute more firepower to the mission, there seemed to be some consensus that the ADF was lucky it did not have to face a more heavily armed or determined enemy.<sup>147</sup>

'Readiness' also relates to the physical limits of capability. However, it is a separate issue because some instruments may have appropriate physical characteristics, but not be employable immediately. This limitation is especially apparent with military forces. While the ADF showed itself to be a flexible instrument, different elements within the force required considerable lead-time to prepare for missions. This need complicated the relationship between DFAT and Defence in early 1999, because (as mentioned earlier) military preparations ran against the declared policy position that Indonesia was responsible for security in East Timor.<sup>148</sup>

Readiness limitations are also apparent with aid instruments. For example, AusAID did not fund NGOs to maintain an ability to mount new operations quickly in 1999—it only provided funding in return for service when the crisis

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142 Interviews with Kerry Clarke and Tim Dahlstrom.

143 Interview with 012-05.

144 For more detailed accounts of ADF deficiencies, see Australian National Audit Office, *Management of Australian Defence Force Deployments to East Timor*, Chapter 4; and Ryan, *Primary responsibilities and primary risks: Australian Defence Force participation in the International Force East Timor*, Chapter 3.

145 Deborah Snow and Peter Cole-Adams, 'Army Borrows Uncle Sam's Flak Jackets', *Sydney Morning Herald*, 24 September 1999, p. 1.

146 Other problems with sustaining enabling components, such as the Army's Training Command, were also observed—see Joint Standing Committee on Foreign Affairs Defence and Trade, *From Phantom to Force: Towards a More Efficient and Effective Army*, Commonwealth of Australia, Canberra, 2000, pp. 73–75.

147 Ryan, *Primary responsibilities and primary risks: Australian Defence Force participation in the International Force East Timor*, p. 76.

148 Interviews with Chris Barrie, Paul Barratt and Hugh White.

broke. As a result, it often took valuable time to bring NGO relief capabilities to a state where they could be deployed, while it also took time to negotiate the terms of AusAID support.<sup>149</sup>

### Observations about policy instruments

As no two crises are exactly the same, the Australian Government maintains a range of instruments to achieve national security goals. Indeed, the use of many different departments and agencies, and the attempt to coordinate their activities, makes East Timor a prototype of a modern, whole-of-government approach to crisis.<sup>150</sup> In this case, the front-line instruments went beyond the traditional diplomatic and economic means to include the technical expertise of the AEC (and later Customs), and the authority of the AFP. It was also notable that one of the main instruments, the ADF, only provided background intelligence, logistic support, and a role in the diplomatic effort until the crisis became acute. Another interesting factor was the way commercial assets were integrated into the response, albeit in a limited way and only after significant policy effort. This adds another dimension to the understanding of the means available to pursue national objectives.

Of course, just because a government has a viable instrument does not mean that instrument should be used. For example, economic sanctions might have forced the Indonesian Government to accept a peacekeeping force before the ballot. However, there was real potential for sanctions to create negative economic and political consequences for Australia, and to possibly disrupt Indonesia's nascent democracy. Officials need to identify the chances of negative consequences when they develop options to recommend to government.

In other cases, governments may need to accept limitations imposed by other sovereign governments to maintain the ability to work on issues. In this case, Indonesia's limitations on which NGOs could or could not work in East Timor may have been objectionable, but acceptance was the price of providing other forms of Australian assistance. In situations such as this, governments might need to use other instruments as levers to remove or reduce those restrictions.

The practical limitations on instruments also mean that policymakers must consult closely with operators and specialist advisers when options are being developed. This is especially important where there is a difference between what an instrument can do in theory, and what it can do when factors such as survivability, readiness, sustainability and reach are considered. A case should

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<sup>149</sup> Interview with Scott Dawson, who also noted that AusAID now funds some NGOs to maintain emergency relief capabilities at high readiness.

<sup>150</sup> The Bougainville operation of 1997 pre-dates Timor and provides some portent of the way policy instruments could be used together, although it was on a smaller scale and few instruments were marshalled.

be made for including Treasury on key committees, such as the SPCG, and of including the Secretary of Treasury on the NSCC. Such representation would ensure that important policy instruments are included in national planning at the earliest possible time.

The typical characteristics identified by Bridgman and Davis for the Policy Instruments phase need little modification for crisis policymaking. However, they can be slightly revised to highlight the types of instruments used in national security situations. This leads to a restatement of the characteristics for crisis policymaking in this phase as:

- The instruments most used by the Australian Government in times of crisis are diplomacy, alliances, military force, economic levers (including foreign aid), information, international law, and (sometimes) social levers; and
- The utility of foreign and defence policy instruments is highly situational in a crisis.