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## Same Questions, Different Organisation: SDSC's Fifth Decade

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Like all stories, the story of the Strategic and Defence Studies Centre (SDSC) over the last decade of its now 50 years is one of continuity and change. Interestingly enough, the big continuities in SDSC's stories relate to its external setting — the aspects of the world around us that we study. The parallels between the intellectual challenges we face in analysing and explaining Australia's strategic setting and policy responses today resonate surprisingly closely with those that inspired our predecessors to establish SDSC in the first place. On the other hand, SDSC today operates in a radically changed institutional setting, and has had to change the way it operates as an organisation in fundamental ways, especially over the past decade, in order to survive and flourish. In this chapter I will explore these two aspects of SDSC's story, to help (I hope) deepen our understanding of where we are today and the directions we should take in future.

## Studying Strategy

SDSC is an unusual organisation with an unusual role. Established as a policy think tank within a university, it has always looked two ways: to the world of scholarship in all its aspects, and to the world of policy and public debate. As we will see in the later section of this chapter, SDSC's role as a scholarly institution, especially in relation to teaching in all its forms, has changed since those early days, and especially in the past decade. But, in other respects, the idea of a university-based think tank occupying this Janus-like position is as fresh and relevant as it was 50 years ago, and for much the same reasons. To see this, we have to go back and look at the circumstances of SDSC's founding in 1966.

Our founder, Tom Millar, and his colleagues picked their moment well. When SDSC was launched, Australia was facing a revolution in strategic and defence policy. Our strategic environment was in the midst of a profound change that would shake the foundations of our postwar strategic policy and require a major reorientation of our defence policy. We can see from Millar's account of those times<sup>1</sup> how clearly he saw the scale of the defence-policy challenge that Australia faced, and how important a part SDSC played in helping Australia respond effectively to that challenge.

Millar expressed the challenge with characteristic clarity and force in the opening paragraph of the paper on 'Australia's Defence Needs' that he delivered to the Australian Institute of Political Science (AIPS) in 1964. His chapter in this volume tells us how his AIPS paper was his first contribution to the academic study and public discussion of defence policy, the beginning of his life's work in this field, and hence in a very real sense the seed from which SDSC grew. After opening the AIPS paper with Thomas Hobbes' words on 'covenants without swords', he explains what he intends to cover:

I shall discuss the 'swords' which Australia needs to possess if those covenants are to have any meaning for us and upon which, in the last resort, we must rely. For our great and powerful American ally and our somewhat less powerful but still very important British friend are not

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<sup>1</sup> Chapter 2, this volume.

inevitably committed to the defence of our continent and people and way of life. The security of Australia is primarily and ultimately the responsibility of Australians.

No one here will question, I hope, the right and need of Australia to have defence forces of some kind. The questions are — what kind? How many? And how should they be armed, equipped and organised? In what situations should we be ready — or may we be forced — to commit them?<sup>2</sup>

Thus, in a dozen lines, Millar set out the core issues of Australian defence policy, and the core agenda for the Centre that he founded two years later. His AIPS paper led to him write *Australia's Defence*, published in 1965. It remains a bracing and stimulating read today. Something of its clarity, directness, foresight and contemporary relevance can be judged by simply opening the front cover of the first edition. There, on the dust wrapper flap, in bold letters, is the question 'Can Australia Defend Itself?' And, printed on the end papers, is perhaps the first public example of the now infamous 'concentric circles' map: the hemisphere centred on Darwin, with rings indicating distance.

But, what is even more striking, the lines quoted above might serve as an agenda for SDSC today. To see why, it is worth looking a little more closely at the strategic situation that Millar was responding to, and the questions it raised. By 1964 Australia's postwar defence policy was already under great strain, and the first steps were being taken to rethink Australia's defence posture and transform Australia's military forces. Australia faced new and unfamiliar regional security challenges after World War II. The Asia that emerged from war after 1945 had almost nothing in common with the Asia of 1939. After the Pacific War, Australia was a different country, too, harbouring deep-seated fears about our vulnerability to attack from Asia, the possibility of which was proven in 1942. In the decade after the war's end, decolonisation and the threat of communism made the region suddenly more complex, and threatening.

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2 T.B. Millar, 'Australia's Defence Needs', in John Wilkes (ed.), *Australia's Defence and Foreign Policy* (Sydney: A&R/AIPS 1964), p. 69.

The posture that became known as 'forward defence' was a specific response to these fears. It focused Australia's defence policy on encouraging and supporting the United States and the United Kingdom to be committed to our region and deal with these new regional security concerns for us. Forward defence is often seen as a product of the 'imperial' or 'global' tendency in Australian defence policy. I think that is wrong. Forward defence sought to engage Australia's global allies directly in addressing Australia's regional and local security concerns here in Asia, and especially in South-East Asia. In fact, under forward defence, Canberra repudiated its modest postwar undertakings to deploy forces beyond our region in the event of a global crisis, in order to focus on supporting the United States and United Kingdom in our own backyard.

For a country that did not want to spend much on its armed forces, forward defence made a lot of sense, while it lasted. But forward defence only worked as long as our allies played along, and as long as Canberra could be confident that they would use their power to promote Australia's interests and objectives. As it happened, the second of these conditions was the first to go. In the early 1960s it was already evident that Australia could not take the support of our allies for granted. First it became clear that Washington would not support Australia in its opposition to Indonesian incorporation of West Papua, and might not be sympathetic if Canberra found itself drawn into conflict with its large and increasingly well-armed neighbour. Later, during Confrontation, it became clear that London did not share Australia's interests in trying to manage the crisis in such a way as to improve the chances of a stable long-term relationship with Jakarta. By 1964, in other words, we had come to realise that America was inclined to be much softer on Indonesia than we wanted, and Britain was somewhat tougher.

The implications are obvious, at least in hindsight. Australia needed to do more to build its capacity to defend the continent and protect its regional strategic interests in South-East Asia and the south-west Pacific. This process began in the years 1962–64, which is much earlier than most people think. Without declaring a change in policy, the government under Robert Menzies set about transforming the Australian Defence Force (ADF) into a force that would be much better placed to defend Australia and its regional interests from local threats through the conduct of independent operations and unaided by its allies.

The government bought a host of new equipment, including F-111, Mirage, C-130 and Caribou aircraft, Huey helicopters, *Oberon*-class submarines, guided missile destroyers, M-113 armoured personnel carriers, and introduced conscription. Defence spending increased sharply. In two years from late 1962 to early 1964, through three separate major statements to parliament, the Menzies Government undertook the most radical changes to Australia's military capabilities in the postwar era, and laid the foundations of a defence force able to defend Australia and protect regional interests without relying on allies.

But, as Millar's account of his experience writing his 1964 paper suggests, this major change in Australia's defence policy was undertaken with little public debate or even public awareness. There was almost no public discussion on the strategic rationale of what was a major reorientation of the nation's military posture. The government did not issue a white paper or provide sustained explanation of the rationale for Australia's changing defence policy. Few outside government felt inclined or qualified to comment and, as Millar explains, the government made little effort to inform those who sought to understand and explain what was going on. Public attention, therefore, ignored the underlying strategic rationale of Australia's new defence posture, and focused instead on more sensational issues, such as procurement problems with the F-111s and conscription. This was the strange situation — major strategic change and radical policy innovation without serious public discussion — in which the academic study of Australian strategic and defence policy issues was born.

And all this, of course, was before the major commitment of US and Australian ground forces to Vietnam. By one of those quirks so common in history, the high-water mark of forward defence in Australia's commitment to the war in Vietnam came after Australia had already started to abandon the strategic underpinnings of the policy. The debates sparked by Vietnam shaped much of the environment of SDSC's earlier years. As Bob O'Neill's account in Chapter 4 of this volume makes clear, the intensity and passion of those debates made the academic study of strategic policy challenging. But the magnitude of the issues that Vietnam unleashed made the need for well-informed, rigorous, impartial and dispassionate debate about defence and strategic policy more evident than ever.

For a start, in the latter half of the 1960s, Canberra's earlier reservations about forward defence were overtaken by the growing doubts of our allies. By the end of the decade both the United States and the United Kingdom had decided, for different reasons, that their strategic postures in our region were unsustainable. For Britain the constraints were primarily fiscal: successive financial crises meant that the United Kingdom simply could not afford to maintain strategically significant forces in our region. For America, the reasoning was more complex, but the implications seemed just as clear: henceforth the United States would not defend allies in conflicts that did not affect the wider strategic balance. As far as Australia's regional security was concerned, we were on our own.

At the same time, however, other less threatening changes were occurring in Australia's strategic environment. In 1965 Suharto had replaced Sukarno and, over the next few years, Indonesia began to change from a strategic liability into a net security asset for Australia's regional security. South-East Asia as a whole began to emerge from decades of crisis and evolve into a region of peace and development, symbolised and supported by the development of the Association of Southeast Asian Nations (ASEAN). In China in 1966, the launch of the Cultural Revolution seemed to herald an era of anarchic self-absorption but, by the early 1970s, the United States and Australia were able to establish good relations with China and to dispel, at least for a while, Australia's major security concerns.

Meanwhile détente between the United States and the Soviet Union seemed to some to offer a safer global strategic balance. All these developments made Australia feel safer. By the early 1970s, the era of forward defence was clearly over. The good news was that our region looked much less threatening than it had for many decades. The bad news was that our allies had made it clear that we would have to deal ourselves with whatever problem might remain. All this vindicated Millar's formulation of the key issues in Australian defence policy and reinforced the need for broader, better-informed public discussion of strategic and defence-policy questions.

Fortunately, the new challenges stimulated perhaps the most active and informed defence debate we have ever had. With SDSC in the vanguard, a well-informed, sophisticated and diverse academic and public debate developed in which the government began to

participate. Coalition Defence ministers, including John Gorton and Malcolm Fraser, aired new strategic ideas in public in the late 1960s. In March 1972, the Liberal Government of William McMahon produced a discussion paper that confirmed Australia's strategic policy had to change. It made a blunt assessment: 'Australia would be prudent not to rest its security as directly or as heavily, as in its previous peacetime history, on the military power of a Western ally in Asia.'<sup>3</sup> And it drew the inescapable conclusion:

Australia requires to have the military means to offset physical threats to its territory and to its maritime and other rights and interests in peacetime, and should there ever be an actual attack, to respond suitably and effectively, preferably in association with others, but, if need be, alone.<sup>4</sup>

These ideas were conclusively established as the foundations of a new defence policy in the 1976 White Paper on Defence, published by the government of Malcolm Fraser. It is a remarkable document. The first chapter explained in a few lines the revolutionary changes of the preceding decade, and concluded:

The changes mentioned above ... constitute a fundamental transformation of the strategic circumstances that governed Australia's security throughout most of its history.<sup>5</sup>

A few pages later, under the heading 'Self-Reliance', the White Paper explained the implications of this transformation:

A primary requirement arising from our findings is for increased self-reliance. In our contemporary circumstances we can no longer base our policy on the expectation that Australia's Navy or Army or Air Force will be sent abroad to fight as part of some other nation's forces and supported by it. We do not rule out an Australian contribution to operations elsewhere, if the requirement arose and we felt that our presence would be effective, and if our forces could be spared from their national tasks. But we believe that any operations are much more likely to be in our own neighbourhood than in some distant or forward theatre, and that our Armed Services would be conducting operations together as the Australian Defence Force.<sup>6</sup>

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3 Department of Defence, *Australian Defence Review* (Canberra: AGPS 1972) p. 11.

4 Department of Defence, *Australian Defence Review* (1972), p. 5.

5 Commonwealth of Australia, *Australian Defence* (Canberra: AGPS, Nov. 1976), p. 2.

6 Commonwealth of Australia, *Australian Defence* (1976), p. 10.

More than a decade after his AIPS paper, Australian defence policy had caught up with where Millar began in 1964. Meanwhile, however, there was more to be done. The principle of defence self-reliance was one thing; the practical detailed implementation was another. Sir Arthur Tange assembled a remarkable group of people within Defence to work on the conceptual foundations of an Australian self-reliant defence policy and, as O'Neill made clear, SDSC played a leading role in expanding and promoting this debate beyond Defence. But progress was slow, and many logjams remained when Kim Beazley became Defence Minister in 1984. To break them, Beazley commissioned Paul Dibb to review Australia's defence capabilities, and then write a new white paper, *The Defence of Australia* (1987).

Paul was of course a member of SDSC, where he had spent some time in between periods of very successful service with Defence. His work on the review and the subsequent White Paper crowned two decades in which Australian defence policy underwent a revolution, and two decades during which SDSC was consistently at the forefront of Australian defence-policy debate and development, through the work of Millar, O'Neill, Des Ball, Ross Babbage, Peter Hastings, Jol Langtry and many others. Key collections like *The Defence of Australia: Fundamental New Aspects* (1976) and monographs like Babbage's *Rethinking Australia's Defence* (1980) made major contributions to the development of the policies that came to be enshrined in the 1987 White Paper, set new benchmarks for the quality and sophistication of contributions to the development of national strategic and defence policy from outside the bureaucracy, and laid the foundations for the academic study of Australia strategic and defence questions.

This period provides important pointers for SDSC's future. Since the early 1980s, SDSC's scholars have produced work of international standing in many areas, such as Ball's work on strategic nuclear and regional security issues. But the heart of SDSC's contribution to Australia has been the quality of its work on questions relating to Australian defence and strategic policy throughout the decades. It is worth pausing to consider why this should be so. Of course the careful, impartial study of public policy questions has long been seen as one of the key roles of universities in society, and this was clearly a key purpose in the decision to establish a national university in Canberra 70 years ago this year. But strategic and defence policy poses some specific and unusual challenges that make it especially important that it be subject



to the kind of study and analysis that universities can provide, and why it is best undertaken in a specialist multidisciplinary centre like SDSC. First, defence policy is conceptually demanding. Because wars are relatively uncommon, and major conflicts less common still, there is little scope to take an empirical or practical approach to designing strategic policies and defence forces. Major strategic and defence decisions are taken without clear knowledge of the circumstances in which forces will be needed, and with little chance to learn from experience. Instead, there is not much alternative to building more or less elaborate conceptual frameworks to guide decision-making. The rigour, consistency and adequacy of such concepts is thus critical to the quality of the policy. Academic study provides an excellent opportunity to explore and test these frameworks.

Second, work on defence and strategic policy must draw on a number of diverse areas of expertise. It of course involves disciplines like international relations, Asian studies and history, but it must also draw on expertise in military technology, the conduct of military operations, the organisation of defence forces and the functioning of bureaucracies, and national fiscal affairs. These technical, and sometimes arcane, aspects of the discipline are why effective public debate engaging real defence policy issues is relatively rare. It also means there is often less contestability in defence policy, either within government or outside it, than there is in other areas of public policy. That makes the role of centres outside government that can command the needed expertise all the more important in ensuring that defence policy ideas are rigorously analysed and imaginatively challenged. One might say that the role of a centre like SDSC is to bring to bear on questions of strategic and defence policy the traditional strengths and virtues of scholarship: careful analysis of assumptions, stringent attention to conceptual foundations, rigorous testing of evidence, full documentation, and strict impartiality. These were the qualities that underpinned the success of SDSC's contribution to policy debates in the past, and which can guide us in thinking about SDSC's future.

Third, universities are uniquely placed to integrate policy-relevant research with the development of expertise through teaching. For much of its history, SDSC has offered Master's and PhD programs that have helped expand the range and depth of strategic and defence expertise in Australia. The close integration of policy-focused research and graduate teaching provides an ideal environment for the

development of high-quality skills that can raise the calibre of people available to work on these issues in government, the media, industry, NGOs and academia.

The need for such a contribution is as great now as ever. Despite the achievements of SDSC and other contributors to informed policy debates, strategic and defence policy skills remain in short supply in government, and Defence remains one of the few areas of public policy in which governments do not have a wide range of well-informed sources of advice and fresh ideas to draw on outside the bureaucracy. Nor is the public debate nearly as well-nourished with well-informed, accessible, expert and impartial analysis of policy choices and issues as it needs to be.

This has become clearer than ever in recent years. In another of history's tricks, Australia's defence policy response to the strategic turmoil of the 1960s and early 1970s was not completed until the mid-1980s, only a few years before the end of the Cold War, which raised a new set of questions about the nature of Australia's strategic situation and defence needs. New tasks and roles for the ADF sprang up, making our forces busier than they have been since Vietnam. Globalisation has changed, at least for some, how we conceive our strategic interests. New regional dynamics in Asia have raised questions about the future international order among the region's great powers, with potentially immense implications for Australia's security. New technologies have raised questions about the future role and nature of armed forces, and the development of air and naval capabilities throughout Asia has eroded Australia's military technological edge that, even in the 1980s, we tended to take for granted. And important new security challenges have emerged in Australia's immediate neighbourhood.

Over the 1990s these new developments were met by a wave of official policy papers. Between December 1989 and December 2000, Australian governments issued a total of seven substantial strategic policy documents, compared to only two in each of the previous two decades. But the terrorist attacks of September 11 2001 (9/11) and the subsequent War on Terror have injected new elements into the defence debate and raised new and perplexing questions. Uncertainty remains about whether 9/11 does, as some have claimed, mark a new strategic epoch, or whether it will be seen in retrospect as a distraction from deeper tides in our strategic affairs that raise major long-term questions about Australia's future security.

It has certainly increased confusion and uncertainty within government and in the wider community about the roles of our armed forces and the capabilities they need to perform them. Those questions are a long way from being resolved. SDSC has been prominent in these debates for well over a decade, with both Dibb and Alan Dupont, for example, playing leading roles from different perspectives. The government itself has realised the need for a stronger public debate and new sources of fresh policy thinking, and has supported the development of new voices and fresh ideas through the establishment of organisations like the Australian Strategic Policy Institute (ASPI), and through continued support for SDSC and other academic centres working in the security area. The field is growing, with new think tanks, like the Lowy Institute for International Policy, and new academic centres on international security at the University of Sydney and the University of New South Wales among others.

The past decade has only seen these trends deepen and the questions they raise become more focused. Terrorism continues to pose a bewildering policy challenge to governments around the world, including Australia's. At the same time, the US-led global strategic order, which seemed so robust in the immediate post-Cold War decades, now faces serious challenges in the Middle East, Eastern Europe and, above all, in Asia. A decade ago, a serious Chinese challenge to US leadership in Asia remained a debatable possibility. Today it is a clear reality, with implications for strategic affairs throughout Asia, and for Australia's approach to the management of its alliances and regional relationships, and its defence needs. Successive governments have failed to address these issues effectively, with two Defence white papers — one in 2009 and another in 2013 — offering no clear answers to looming policy questions. It is less and less credible to assume that the policy settings that have served Australia so well for so long will continue to do so in future, but the outlines of a new policy approach have yet to be established. Moreover, in a situation that would have been familiar to Millar, public and even expert debate on the choices that Australia now faces has done little to help clarify future needs.

All this sets an exciting and challenging agenda for SDSC's sixth decade. It means that SDSC's commitment to policy-related research is as important as ever. One of the key tests of SDSC's success is whether its work engages key policy issues and contributes to informing choices about them. That has important implications for the way SDSC directs

and evaluate its work, and its audiences. SDSC's prime audiences include not only other academics, but those outside the academy who engage with the same issues on which we work. It means that SDSC's primary audiences will tend to be Australian; while we will always want to be engaged in, and informed by, international debates and developments, the natural focus of the Centre's work should be issues that bear on Australia's policy choices and, perhaps most specifically, on those where Australia's policy choices are clearly shaped by our unique circumstances.

Some will wonder whether this focus does not make us less 'academic' or 'scholarly' than a university centre should be. This is a question that has hovered around SDSC for most of its 40 years, as the accounts of my predecessors in this volume show. I think we need to address it directly. Scholarship is not defined by subject matter, but by approach. SDSC should aim to bring the disciplines and strengths of scholarly research to bear on questions of strategic and defence policy, just as economists and medical researchers do in their fields. It is hard to imagine an area of national life in which the clarity of scholarship is more obviously needed. SDSC's task is to address strategic and defence policy issues with the clarity, rigour, detachment, imagination, ethical standards and impartiality that are the true marks of scholarship. That is why we are part of a university. At the same time, we need to respect, and acknowledge how our work draws on, the more traditional disciplines: history, international relations, Asian studies, political science and many more. That is why SDSC is part of the College of Asia and the Pacific (CAP), where we are privileged to be part of a remarkable community of scholars. From them we have a great deal to learn, and the Centre should make it a primary goal to contribute as much as it can to their work.

This reference to our institutional setting here at The Australian National University (ANU) offers a segue to the second big theme I cover in this chapter — the changes in SDSC's organisational and financial environment, and the associated and vital issue of our developing role in education.

## Surviving and Teaching

When I came to SDSC in late 2004, the academic environment was changing in ways that affected the institutional setting, financial basis and, in significant ways, the academic identity of the Centre. In the next few pages I will sketch those changes, and the way SDSC responded to them. This will be a personal perspective, offering an account of how things appeared to me at the time, and (in places) in retrospect.

The forces that drove these changes came from outside SDSC and had their origins in shifts in the wider university, encompassing the way that ANU saw itself and was organised, and these in turn originated in larger shifts in the tertiary education sector nationally. These were forces beyond our control, in other words. Our task was to respond to them in ways that gave SDSC the best path to the future, and overall that seems to have worked out.

SDSC was born, and spent its first four decades, within the Research School of Pacific and Asian Studies (RSPAS, then the Research School of Pacific (RSPacS)), which was one of the series of research schools that together constituted the Institute of Advanced Studies — the core of ANU since its establishment in 1948. An annual Commonwealth block grant funded the schools to undertake research and to train researchers through PhD programs. The research schools did not teach undergraduate courses, and taught very little graduate coursework. Education at ANU was primarily conducted by the faculties, which were seen as separate from the research schools, and which were organised and funded like those in Australia's other universities.

The block grant that funded the research schools was unique in the Australian university sector, and it was what made ANU special. The grant provided freedom from teaching and allowed the research schools to focus on research, which, in turn, assured ANU its place as Australia's most renowned research university. As a component of RSPAS, SDSC had benefited enormously by working in this environment, and there can be no doubt that this was central to SDSC's success. But it was, in a sense, too good to last.

By 2004, the university's block grant was declining steadily as a result of a decision made some years before when the Australian Research Council (ARC) was established as the primary mechanism for funding university research in Australia. ANU was allowed to compete for research funding from the ARC on the condition that the block grant was slowly reduced. The simple problem with this funding model was that ARC grants funded specific research projects, but they did not pay for the staff, basic facilities and infrastructure necessary to build, maintain and develop an institution.

As the block grant declined, these basic costs came under great pressure, which was inevitably transmitted down through the research school hierarchy to the coalface in departments and centres. The impact for SDSC was amplified by a decline in other important sources of funding. The Ford Foundation, which had long provided very generous support to SDSC staff positions, moved to different funding models that were not applicable to SDSC, and Defence reduced its funding support.

None of this detracted from the quality or the quantity of SDSC's research output. The Centre continued to publish widely and it was among the highest performing elements of RSPAS across many forms of output. Its high national and international profile, and the importance of the issues on which it was working, was clear. Indeed, the establishment and success over the preceding three years of ASPI and the Lowy Institute as think tanks focusing on similar issues was proof of the demand for the kind of policy-focused scholarly work in the field that SDSC had done so much to pioneer in Australia. Moreover, some specific areas of SDSC's work were financially flourishing. It is appropriate to mention the work of SDSC's historian, Professor David Horner, whose major project producing the official history of Australian peacekeeping operations was supported by Defence and by a major grant.

But by 2004 it was becoming clear that SDSC's funding model was no longer financially sustainable. We were running a structural deficit as the salaries alone of the core SDSC staff exceeded the block grant allocation, and each year the deficits mounted in the form of a debt we owed to RSPAS, which would eventually have to be repaid. Small grants, like one provided by Boeing Australia for the library, helped, and no doubt defence companies could have been persuaded to offer

much bigger grants, but there were real doubts about the wisdom of relying too heavily on such sources. There seemed little prospect that other avenues of large external grants could be found to support the basic costs of running the centre. It was clear that some of the handful of positions in the core SDSC staff would have to go, and without new sources of funding more cuts would follow. Without a new financial model SDSC was in danger of disappearing.

SDSC's institutional position was also fragile at this time. Some years before, as a result of financial squabbles fuelled by intellectual and personal differences, SDSC was separated from the International Relations department of RSPAS, in which it had been incubated, and was attached instead to what was called the 'Director's Section' of the School — a small and untidy collection of units that didn't fit anywhere else. We received generous support from the School Director, Professor Jim Fox, and his successor Professor Robin Jeffrey but we lacked a larger affiliation within the School, which resulted in a certain vulnerability.

In fact we were not alone at all. SDSC's problems were shared, in different ways and to different degrees, by most if not all parts of RSPAS and ANU, and the solution to our problem was framed by wider changes in RSPAS and the university as a whole that unfolded over the next few years. The key to these changes was a radical shift in the place of education at ANU, which was reflected in a major change in the university's organisational structure. Essentially, ANU became more like a 'normal' Australian university, relying increasingly on revenue earned through education, both from government funding of student places and from students' fees, as the primary funding source. This was reflected in the abolition of the old split between the block grant-funded research schools and the education-funded faculties. Across ANU, a series of six colleges was established by amalgamating faculties and research schools. In our case, after a long and at times difficult process, RSPAS was amalgamated with the Faculty of Asian Studies to create the new College of Asia and the Pacific in 2009.

Four schools were established within this new college, including the School of International, Political and Strategic Studies — later renamed the Coral Bell School of Asia-Pacific Affairs — which became SDSC's new institutional home. (Note, in what follows I will continue to refer to it as the Bell School although it did not actually take that name

until 2015.) Apart from SDSC, the Bell School comprised International Relations, Political and Social Change, and the State, Society and Governance in Melanesia Program. The new organisational setting restored the previously close link between International Relations and SDSC. While this created some anxiety in SDSC about International Relations dominating the new school and marginalising SDSC, in the event, this has not happened.

Under its first director Professor Paul Hutchcroft, and then under his successor Professor Michael Wesley, the Bell School has proved to be a congenial and productive setting for SDSC and has provided an excellent foundation for SDSC's rapid development into new areas. Moreover, although the Bell School was from its outset conceived as a loose federation of units from divergent disciplines and with differing priorities, the School has allowed us to benefit greatly through closer scholarly, administrative, outreach and personal links with colleagues in the other disciplines.

A vital part of this success resulted from the Centre's move into the Hedley Bull Building in 2009, which coincided with the establishment of the new School. Indeed, the process of planning and development of the building played a significant role in drawing together the elements of what became the Bell School over the ensuing few years. Planning for the new building began in 2004, following a grant from the Commonwealth Government to establish the Asia-Pacific College of Diplomacy, which included funds for a new building to house it. Professor Chris Reus-Smit, the head of International Relations, saw the potential for this project to be a way to bring together physically and, he hoped, intellectually and even organisationally the various elements of RSPAS that were working on international relations, broadly conceived, and to use the new building to integrate the image and branding of that work. Reus-Smit made a point early on of inviting SDSC to be part of this venture, which offered many attractions. The Centre had returned to the H.C. Coombs Building after a peripatetic period in which it had moved several times between buildings that offered few amenities and nothing by way of branding or identity. The idea of moving into a new, purpose-built centre as a more permanent and identifiable home had a lot of appeal. Perhaps inevitably there were also some fears in SDSC that this might prove to be an empire-building exercise by International Relations, reviving some of the concerns that had led to the split in the 1990s. Nonetheless, it was



clear that the opportunities that the project offered far outweighed the risks and so, even before the process leading to the establishment of CAP were fully underway, SDSC was on track to move into the new centre and thereby build new and closer links with other elements of RSPAS working in related areas.

Reus-Smit's formidable drive and lobbying skills ensured that major additional funds were provided to supplement the original grant, resulting in the construction of the fine new building that SDSC occupies today. An early decision was taken to use the building to break down barriers between the different units that would share it, by spreading people across floors. From SDSC's perspective the decision to name the building after Hedley Bull, whose work on strategic questions was such a notable part of his overall achievement, was a welcome reassurance that our interests and approaches would be respected and supported by whatever institutional evolutions occurred once the move to the new building took place. And, as the transition to CAP gained momentum, it became entirely natural that the units moving into the new building should constitute themselves as a new school within the new college.

Thus, by 2009, SDSC found a new home both organisationally and physically, as part of the new Bell School and within the Hedley Bull Centre, which made a big difference to SDSC's sense of itself. While these moves did not in themselves do anything to solve the underlying financial problems that beset the Centre, they did provide a setting in which solutions to those problems could be more readily be found — in the business of education. A key rationale for the amalgamation of faculties and research schools to create the new colleges at ANU was to elevate education at all tertiary levels to become core business for all parts of the university, including those like SDSC that had formerly seen it as definitely secondary to research functions. For SDSC, future financial viability could only come from building for ourselves a strong income stream from education, and that is indeed what has happened.

It is important to note first that SDSC had long been in the education business. SDSC had contributed to International Relations Master's program since the 1970s, with our own program starting in 1987. This was successfully run until 1997. It was a small-scale program, usually with no more than a dozen or so students at a time, but it achieved high standards and produced some notable alumni. It was

not financially self-sustaining, however, and, as money became tighter in the late 1990s, it was decided that the program was unsustainable. A fresh start was made in 2001 when Dr Ross Babbage, a very significant former member of the Centre who had maintained close links throughout his varied career in government and industry, came forward with a proposal to ANU to establish a new Master's program in strategic studies on a different and more ambitious basis, aiming for more students and to deliver the program not just in Canberra but at 'nodes' across Australia, Asia and beyond.

Partly because of the clear financial risks involved in such a bold scheme it was decided to establish the Graduate Studies in Strategy and Defence (GSSD) program as separate from SDSC. It is a tribute to Babbage's formidable drive and entrepreneurial flair that the GSSD program was launched in 2002 with its first intake of students, and it quickly grew. This early success also owed a great deal to the gifted young scholars and teachers that joined the GSSD staff at the outset — most notably Rob Ayson and Brendan Taylor, both of whom have gone on to make a major contribution both within SDSC and beyond. By the time I arrived at SDSC in 2004, the GSSD program was already a well-established and thriving success, and it was clear that it had the potential to grow further and to become not just financially self-sustaining but a basis for SDSC's long-term financial well-being. To get to that point, however, it was necessary to learn the lessons of the early years and modify the model somewhat in the light of experience. In particular, it became clear after the first few years that the model of teaching at nodes outside Canberra was not cost-effective, and so the focus shifted to teaching on campus. Over the next few years the GSSD program expanded and developed in several ways, provided the resources to recruit additional young staff and did a great deal to revitalise and energise SDSC. The administrative distinction between GSSD and SDSC, always rather faint, became increasingly irrelevant and was erased altogether as part of the process of incorporating SDSC into the Bell School in 2009.

It is worth noting that part of the success of the new and much expanded Master's program over the past decade or so can be seen as a reflection of a couple of broader trends. One is the trend across tertiary education in Australia towards increasing demand for postgraduate qualifications of all kinds. This has transformed graduate education from something of a niche cottage industry to a full-scale and

competitive business, which has required SDSC to pay careful attention to the quality of its course, teaching and student administration. Quite apart from the quality of our teaching staff, we have been fortunate to have had a series of exceptionally capable professional staff managing our program who have made a real difference to the quality of our students' experience, and hence our competitiveness in the marketplace. The second trend has been growing student interest in our subject matter — both in national security more broadly conceived, and in strategic studies more specifically. It would be fair to say that Babbage's original conception recognised these trends, and the success of the Master's program as it has evolved over the past 15 years owes a great deal to the way those trends have been harnessed to build a viable long-term business.

Another useful element of SDSC's business development over this time was the expanded provision of short courses, especially to Defence. The most important of these was the three-day Strategic Policy seminar that SDSC provided to Defence's Strategy Division for delivery to members of the Defence Graduate Program. These seminars have been run, in different forms, for a decade, allowing SDSC to contribute to the development of policy expertise in Defence, as well as providing a valuable source of income.

These initiatives have contributed to the stabilisation of SDSC's financial position, and set it on a sustainable trajectory. Nonetheless, the Centre has continued to seek opportunities to expand its business and build a stronger foundation for future growth and development. One possibility emerged in 2008, when the newly elected government under Kevin Rudd decided to establish a National Security College (NSC), with a strong expectation that it would be located at ANU. The NSC was to be very generously funded and supported, and the question naturally arose whether SDSC should bid to take it on. In the end we decided not to, for several reasons. These included questions about its focus on 'national security' broadly conceived, the focus of its business model on professional and executive development courses, its governance arrangements and relationship to government, and the implications for SDSC's existing programs, brand and identity, which would risk being swamped by the new entity. The NSC was established successfully at ANU in connection with the Crawford

School, and SDSC cooperated closely in that process, with the result that NSC and SDSC now enjoy an excellent cooperative and healthily competitive relationship.

In 2011, a new and very different kind of major development opportunity arose, when the Australian Defence College (ADC) requested tenders for the provision of the academic element of the Australian Command and Staff College (ACSC) course delivered at its Weston campus. At first we approached this prospect with some caution. Over the years a number of institutions had undertaken this task in various different ways, but none had, so far as one could see, proven very satisfactory either to Defence or to the academic institutions involved. After some wary preliminary exploration, we decided that the ADC was serious about developing a new academic program based on a much more robust relationship with their academic partners. This included a decision by ADC to enter a 10-year contract with their new academic partner. This made a big difference to our thinking. We were determined not to take the job on unless we could do it very well and unless we could do it in a way that supported and enhanced, rather than detracted from, our established identity and activities. That meant we could only take it on if we could expand our staff significantly to accommodate the extra workload, and we could only do that if we could sign a long-term contract like the one ADC were prepared to offer. The prospect of a 10-year contract made that possible. We were also very impressed by the ADC's genuine openness to fresh ideas about how best to structure and deliver the academic element of the ACSC course. We had some strong and somewhat novel ideas about this, and were reassured that a tender based on those ideas would receive a fair hearing. So we decided to bid.

We were immensely fortunate that our colleague Stephan Frühling took charge of the Centre's bid for the ACSC contract. He developed an original, innovative and detailed course, a fleshed-out plan to deliver it, and a robust costing. Our bid was based on the provision to ACSC course members of a tailored ANU Master's degree program — the Master of Military Studies — within the 12-month duration of the ACSC course and alongside other elements of the ACSC program. This was a formidable undertaking. There is no space here for a full account of how it was done: suffice to say that the bid was successful and, in February 2012, and with some caution, SDSC entered into a 10-year contract with ADC. Within just a few months of the contract

being signed, we began to deliver the program at Weston to some 160 course members. Frühling's effort in developing the bid in 2011 was eclipsed only by his achievement as the program's acting Director of Studies in 2012 as the program was implemented and bedded down. Since then, the program has evolved and flourished under the leadership of Professor Daniel Marston, who took over as Director of Studies in 2013.

The ACSC contract has made a significant difference to SDSC in many ways. Financially, it has transformed our business and strengthened our fiscal foundations. Academically and intellectually, it has deepened our engagement with core issues of strategic and defence policy, military operations and history, and defence administration — issues that have always been important to SDSC. Institutionally, it has consolidated our involvement with the real policy questions that confront Australia, as SDSC has always sought to do, and has strengthened our links with Defence and the ADF — including with the cohorts of rising officers who will lead the ADF in decades to come. And, perhaps above all, it has allowed us to hire a number of younger scholars who are doing a lot to shape the SDSC of the future.

Of course all this has happened under the leadership of my successor as head of the Centre, Brendan Taylor, who took over from me in late 2011, just as the ACSC contract was finalised. He deserves the credit for guiding SDSC through a remarkable period of expansion and development. During his time as head, the Centre's PhD program has been strengthened and expanded, and we have launched a remarkably successful undergraduate program. This is in many ways a new departure that is as significant and valuable to SDSC as the contract with the ADC, and it reflects and takes full advantage of those fundamental changes in organisation and outlook that I mentioned at the start of this section.

All this makes one rather optimistic about the future for SDSC in its second half century. Both the continuities and the changes that SDSC has seen over the past decade make me confident that a centre like SDSC has a big role to play, and that SDSC today is well placed to play it.

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