

MOBILISING AUSTRALIA

for Peace and War



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Mobilising Australia

Australia today faces two of its gravest threats since World War 2 (WW2): the first military, the second economic, both dependent on the whims of the People's Republic of China (China).

The two principal responsibilities of the Australian Government are national defence and economic development. This paper contends that Australia today not only lacks the military capacity to fight a sustained major war against a capable adversary, but also lacks the industrial base required to sustain long-term national prosperity or to support the nation in time of conflict. These grave shortcomings are the product of many years of public and political complacency, coupled with a gradual shift from the hard-headed, pragmatic economic policies of the past to the politically populist social agendas of the present, exemplified by the recent Voice referendum. Instead of focusing on long-term national survival - economically and militarily - Australia has indulged in navel-gazing and taken its eye off the ball.

China is essentially a ruthless, totalitarian, Communist state, whose actions in recent years have become increasingly belligerent and aggressive towards its neighbours and Western nations alike, particularly the Republic of China (Taiwan).

Since the rise of President Xi Jinping, the most powerful leader since Mao Zedong, China has steadily ramped up its rhetoric against Taiwan. It has increased incursions into Taiwan's airspace and constructed a series of fortified islands in the South China Sea, the intent of which is to deny shipping and aircraft access to the area by the United States (US) and allied forces in the event of war. The "Nine-dash Line" cited by China as the historical basis for their claim to ownership of the South China Sea is hotly disputed by the littoral nations and was resoundingly rejected when tested in the International Court at The Hague.

China's ambitions have been clearly evident for many years, and yet for the last 50 years, Australia has deliberately chosen to downplay these warnings, presumably to maintain good relations during a burgeoning trade relationship.

Today, China is Australia's largest customer for exports, its largest source of imports and its largest military threat (ABS, 2024). This stark reality has all the ingredients of a perfect storm - what could possibly go wrong?

The present Russia - Ukraine "Special Operation" is one of the most violent conventional wars since WW2 and is a stark reminder of how peace can abruptly change to war at short notice. There has been a long history of Russian military aggression towards Ukraine. But from the outset, conventional wisdom held that not only would Russia never attack directly, but if it did so, then Ukraine would not survive more than a week. These predictions have proven a spectacular failure of Western strategic intelligence and political judgment and are a stark reminder of the unpredictability of war.

The more recent Palestine – Israel – Iran conflict also graphically highlights the speed at which war can occur and the devastating consequences. This war, orchestrated by Russia and Iran through its proxies, Hamas, the Houthis and Hezbollah, was initiated

in part to take pressure off Russia in Ukraine. Real peace in the Middle East remains elusive.

Australia can no longer ignore the danger on its doorstep. It must shift its focus from indulgent, populist social agendas towards the long-term economic and military survival of the nation. Militarily, this means building sufficient capability to deter any attack. Economically, it requires moving away from a narrow dependence on mining and agricultural products and rebuilding a broad industrial base worthy of an advanced nation.

There is a fundamental synergy between these military and economic agendas since both complement each other. Firstly, however, we must acknowledge our present vulnerabilities and then adopt a long-term strategy of national self-reliance, sustainability and survival in an uncertain world.

It should be noted that many nations with circumstances far less favourable than Australia have been forced in recent years to adapt their economic and military agendas. They have been driven by a strong sense of survival and by the national will to do whatever is necessary to preserve their sovereign identity. Australia must do the same.

Within our democracy, the way ahead demands a clear vision of the future, strong leadership and bipartisan agreement. The good news is that it is not too late and can be achieved.

The Right Side of History

There are no clear winners in war – only losers by a greater or lesser degree. History, however, shows that it is infinitely better to be on the “Winning” side, rather than the “Losing” side.

The term “The Right Side of History” is normally applied to some significant event that has two possible outcomes and where choices made today will at some point in the future determine whether you emerge on either the right or wrong side of history.

Is History a Guide to the Future

History records at least 100 civilisations, empires and cultures in the past, that rose to be one of the superpowers of their day and then subsequently faded away, were conquered or otherwise succumbed, surviving only in the history books. Modern examples are the Ottoman Empire, the various European empires and the USSR. History also records thousands of wars and lesser conflicts over the millennia. The nature of man, the “human condition”, has not changed over the millennia, making it inevitable that this pattern of conflict will continue, as current World events highlight. Land, power, money, resources and ideology are no less significant in modern times than in the past.

The first question addressed by this paper then - is how applicable is this historical record to Australia?

In the 1800's, a foreign fleet arrived off a distant shore. The fleet was unified, disciplined, had a clear mission and possessed an overwhelming technological superiority compared to the sparsely populated inhabitants of that foreign land. They invaded, conquered and colonised. The year was 1788, the invaders were British, the fleet was the First Fleet, the foreign land was Australia, as it was eventually to be called, and the inhabitants were the Aboriginals, spread widely over many tribes.

The answer to the question, therefore, is that the very formative event of the Australian nation involved an invasion by a foreign power - as has been the case for many nations across the globe over millennia. The conclusion, then, is that if it could happen in the past, there is absolutely no logical reason why it cannot happen again.

Since Federation, Australia has been an active participant in two World Wars, several lesser conflicts, and numerous UN peacekeeping operations and military commitments. As a nation, we have traditionally relied on strategic partnerships for our defence - initially with the United Kingdom and, during and since the Second World War, with the US. Maintaining these alliances has always required us to meet the military expectations of our partners, placing Australian forces directly in harm's way alongside our great and powerful friends.

Fortunately for Australia, this strategy has resulted in the nation generally being on the right side of history, and although suffering some 103,000 military deaths from all causes since Federation and at least 336,000 military casualties (AWM,2026), we have survived and prospered as a democratic nation.

If history and logic are any guide, it is almost certain that Australia will continue to follow this established pattern into the foreseeable future. Ominously, the next major war is likely to be between China and the US. In such a conflict, Australia would have no choice but to align with the US and its allies against China.

Pre-Conditions for War

The "Thucydides Trap" is a term used to describe a tendency towards war when an emerging power threatens to displace an existing great power as the dominant power. It is often used to describe a potential conflict between the US and China. A study at Harvard University found that among 16 historical instances of an emerging power rivalling a ruling power, 12 ended in war (Allison, 2014).

This is a fair description of the status quo today, and Australia, as a middle power and as part of a broader coalition of democratic nations, is being swept along with the tide of World events.

The good news is that war is not always inevitable. There are, however, certain historical preconditions that characterise aggressor nations, which often collectively lead towards war. China displays them all. It is a totalitarian regime led by a dictator and has the military and industrial capacity to wage a serious war. The almost daily incursions of Chinese aircraft into Taiwan's airspace provide ample opportunity for a trigger event to ignite a war.

China is also driven by a powerful resentment arising from the 'forgotten century', where European nations in the nineteenth century conquered, enslaved and exploited China. China has regained Hong Kong and is also determined to regain Taiwan, lost to the Nationalists in 1949, and defended by the US since that time. China has indicated it will retake Taiwan no later than 2049, one hundred years after the Nationalists declared the ROC on the island.

China sees itself on a historic mission to avenge the injustices of the past, to regain its position as the dominant power within its region and to then assume the role of a World superpower.

Mobilisation

Mobilising a nation to prepare for, and to survive, a war is a total national commitment. It is not narrowly focused on the needs of the military to defend the nation, but on the broader requirement to build the industrial facilities and capabilities necessary to sustain the nation, its people, and its military for as long as required.

It reallocates national resources with this purpose in mind, diverting them from social and welfare agendas. By definition, mobilisation will be accompanied by unaccustomed austerity and economic belt-tightening. It can only be implemented with the willing acceptance and support of the population, and the psychological conditioning of citizens to accept the necessary privations and hardships is therefore a critical element. This, in turn, can only be achieved through visionary leadership and strong bipartisan agreement, without which nothing of consequence can be accomplished.

Australia has already done this in the past, most notably during WW2. Today, contemporary examples are Ukraine and, to a lesser extent, Israel and Taiwan. Ultimately, all it takes is the national will to act.

Within Australia, the evangelical zeal displayed by various Governments in changing the national electricity supply from fossil fuels to renewable energy clearly demonstrates what Australia can achieve when there is the will to do so. If Australia can change its energy system based on unproven computer models for something that might happen in the future, then taking prudent action against a clear and present danger in the form of China can also be justified and could be achieved.

In 1982, as a newly promoted Major, I was posted to Army Headquarters in Canberra, and I took the opportunity to pursue one of my long-standing military interests - the mobilisation of the nation for war. I eventually located the mobilisation office and, in due course, gained access. There before my eyes lay the mobilisation plans for the nation.

It consisted of rows of filing cabinets and dusty stacks of mouldering military manuals, files and telephone books, going all the way back to WW2. There was only one part-time public servant tasked with maintaining this office, and his duties simply entailed placing any document vaguely related to mobilisation in the office. There was obviously very little interest in the matter. I had unearthed the mobilisation

mausoleum, and I had entered the crypt containing its fossilised bones. Mobilisation was dead as far as the Australian Defence Force (ADF) and the Government of the day were concerned. Mobilisation as a concept has slowly been resurrected in various guises over the years within the Government and the ADF. The problem today, of course, is that the Australian industrial base has been eroded to a point of

What is now required is no longer the mobilisation of existing resources, but the resurrection of a new industrial base from the ashes of the old.

non-existence.

The Long Road to Folly

Australia today is poised yet again on the cusp of a major and possibly existential war and is presently dangerously unprepared, even though the military threat posed by China has long been evident.

The major factor for the current parlous state of military and industrial preparedness is that since the end of WW2, the Australian population with direct personal wartime military experience has gradually declined, and the collective memory of the existential threat faced in WW2 has faded from the Australian consciousness. Further, since WW2, the World has lived with the nuclear deterrent between the superpowers, and right or wrong, this has confined war to regional areas and has never erupted on the Australian continent.

The privations of war or even military service are almost unknown among the Australian population today. The influence of that once powerful institution, the RSL, has slowly faded, and politicians with military experience are now the exception. Indeed, the last Australian Prime Minister to have had direct combat experience was Gough Whitlam (1972-75), who came to office over 50 years ago.

The Prelude

Australia's current prosperity has been built largely on a booming trade relationship with China. Our exports continue to exceed our imports, and Australia maintained a substantial trade surplus throughout the 2024-25 period. (ABS, 2024). Australia is not unique in this, as many Western nations are in a similar position. If China displayed a friendly disposition towards its neighbours, then this would indeed be a Goldilocks state of affairs; the contrary is the reality.

Australia now finds itself in the highly vulnerable position of having its major customer for exports, also being its major source of imports, whilst it has also morphed into its major military and strategic threat. Should China feel so inclined, it could, without notice, close the trade doors to Australia literally overnight. This would be an economic catastrophe for Australia.

It is a fair question to ask whether this scenario might develop. The answer is YES. In the event of open hostilities, this is exactly what would occur. China has already flexed its muscles in this direction, as over the last few years it has, without notice at

various times, imposed steep import duties and closed or restricted access to Australian wine, barley, lobster, beef, lamb, cotton, timber and coal.

The dragon has shown its teeth and sent an unambiguous message of its future intentions towards Australia - should it so desire. We cannot ignore this threat.

Alternative Endings

Australia, as a developed nation, now has considerable capacity to determine both the future size, structure and lethality of the ADF and the future industrial development of the nation.

The intent of this paper, therefore, is to outline two possible alternatives for the future direction of Australia and to highlight the consequences of both. These are titled ***Extinction and Survival***.

THE FIRST (*Extinction*) - is that as a nation we continue with the present passive, reactive, short-term approach, ignore history and follow the status quo, represented by the laconic Aussie ***“She’ll be Right Mate”*** adage. It speculates on what would probably occur if China were to invade Taiwan within the next 5 years. This short time frame means that Australia goes to war in support of the US, with the ADF much as it is today, as there would not be sufficient time to significantly change its size, lethality or sustainability.

THE SECOND (*Survival*) - is that as a nation we adopt a positive, proactive vision for the future and become the masters of our own destiny. It focuses on what it would be possible to achieve if a war should start in the medium term of 5 to 15 years, a period consistent with the current thinking of prominent military strategists, as to when China is best placed to invade Taiwan. Should a war occur within this time period, then to borrow the words of the Duke of Wellington after the Battle of Waterloo, “It had been a damned nice thing (delicately balanced) - the nearest run thing you ever saw in your life” (Wellington, 1861).

Should Australia be afforded even more time to prepare, then our prospects of ending up on the right side of history improve with every passing year.

Importantly, this paper outlines the way ahead to developing both the ADF to a level sufficient to deter any aggressor and also the industrial base necessary to sustain the nation and the ADF during both war and peace.

In this short paper, it is impossible to detail the myriad impacts that mobilisation would have, and so only a few critical infrastructures are considered. These are shipping, fuel, power, industry and defence.

It also shows that not only can this be achieved, but that other nations have already done so - and thus provide a clear model for Australia to follow.

Purpose

What does this paper hope to achieve?

As a supertanker takes much time and distance to turn around, so Australia, even with the best intentions, cannot change overnight from where we are today to where we may wish to be tomorrow. Short of the economic wheels falling off or the outbreak of war, we are then constrained to making strategic long-term decisions in the best interests of the nation.

The aims of this paper are therefore:

- to highlight Australia's present economic and military vulnerability to China and the possible consequences;
- to identify that as a nation we are at a historic juncture, where today's decisions or lack of them, will have a profound impact upon our future;
- to raise the mobilisation flag for all to see; and
- to be a basis for discussion on the way ahead.



Extinction

(How Australia Lost WW3)

Alternate History 1 – Extinction

The Opening Shots

The late Major General and Senator Jim Molan, in his book “***The Enemy on Our Doorstep***” (Molan, 2022), drew upon his unique military, strategic intelligence, diplomatic and political experience to detail what he foresaw as the most likely scenario for the start of a war between the US and China and its impact upon Australia.

His theme was that the Chinese would repeat a 21st-century version of Pearl Harbour against the US and its allies. Could this work? History is on his side as not only did this strategy work for the Japanese in 1941, but it was repeated with even greater success by the Israelis against the Arab states in 1967, at the start of the 6 Day War. It is worth noting here, however, that Russia attempted the same strategy against Ukraine in 2022, but it met with spectacular failure. Clearly, there is no guarantee of success after the opening shot is fired.

In Molan’s book, the Chinese focus upon a key vulnerability of the US and allies and initially attack national command and control infrastructure, the basis of which is the internet, undersea cables and satellite communications facilities. Cyber warfare has been practised by China for decades, and this was carefully orchestrated and used as a preliminary operation to sow havoc with Western industrial, commercial, defence and government IT systems. China also pre-positioned innocent-looking merchant ships over undersea cables and at the appointed hour dropped high explosives onto the cables, thus severely degrading international internet traffic. Satellites were attacked by missiles, killer satellites and lasers that had been specifically designed for that purpose, and as a consequence, Western political and military communications were severely degraded.

This 21st-century imposition from the very beginning of “The Fog of War” both impeded the allied political and military capacity to detect the extent of the attacks and delayed an effective and timely response. The Chinese then followed up with missile strikes against US and allied military facilities, naval vessels and airfields throughout the Pacific, Japan, Korea, Philippines, Australia and the Indian Ocean. China had seized the initiative and had achieved spectacular military success, and its military power dominated the region. The US options were then either a long draw-out conventional war or a limited or full-scale nuclear response.

Molan’s thesis is highly credible and reflects his deep experience and understanding of both US and Chinese military capabilities and vulnerabilities. It also highlights that the West, through its intensive satellite, electronic and communications intelligence coverage of China, would be able to detect preparations for a pre-emptive strike. Of course, it is one thing to detect strike indicators but another to react to that intelligence in a timely manner, as the Ukraine experience has clearly demonstrated.

Molan’s book is a wake-up trumpet call to Australia to warn that China is no longer a sleeping dragon and is purposefully preparing for an eventual military takeover of Taiwan and the subsequent war with the US and its allies. It is a startling, authoritative scenario and is used in this paper as the starting point for the opening of hostilities.

Shipping

Shipping is absolutely vital to Australia as it has sovereign ownership of the World's 3rd largest Exclusive Economic Zone, the 7th longest coastline (Wikipedia, 2024), and no less than 99% of all its trade by volume is by sea (DITRDC, 2026). Australia is also the 5th largest user of shipping services in the world (Sea Power, 2026).

Given these circumstances, one might expect that Australia would operate a large merchant fleet, but in fact, Australia relies almost entirely upon foreign-owned shipping for external trade.

Over the last 50 years, Australia has reduced its Australian-owned or flagged merchant fleet from more than 100 trading vessels in the 1970s to barely a dozen today - and none of the remaining ships carries crude oil, refined fuels, LPG, or containerised cargo in significant quantities (AMSA, 2026).

This situation was driven by the actions of a militant maritime union and by economic arguments claiming that cheaper foreign shipping would reduce the cost of imports. Many voices warned of the strategic risks of relying on overseas shipping in times of crisis, but the economic arguments prevailed.

Molan wrote that one of China's preliminary operations would be to pre-position its submarine fleet at all the choke points leading to the Taiwan region. At the designated hour, these submarines would immediately sink as many allied vessels as possible and impose a naval blockade of Taiwan. All shipping and aircraft movements into and out of China would also cease. However, China had long prepared for such an eventuality, having stockpiled vital resources, and was therefore not significantly affected by this reverse blockade. The impact on the Australian economy, however, was profound.

All imports and exports were promptly reduced to a trickle, and Australia discovered that it had no capacity to import vital military equipment, fuel or the goods to sustain the nation. Australia promptly requisitioned all non-allied vessels in its ports; however, the nation quickly discovered that you go to war with what you have, rather than what is required.

Australia would have no capacity to export or import by sea and would rapidly deplete all goods and materials necessary to sustain both the nation and the ADF.

Fuel

The lifeblood of the nation is oil, and Australia is about 90% reliant upon foreign oil and fuel imports. With no oil tankers servicing the nation, there was an immediate effect on petroleum reserves. On average, Australia consumes a little over 1 million barrels per day of total oil consumption (IEA, 2025).

From 1 July 2023, the Government legislated the Minimum Stockholding Obligation (CoA, 2021). This required Australia's two remaining refineries and major importers of refined fuels to hold baseline stocks of petrol, diesel and jet fuel sufficient for approximately 30 days. This was a prudent initiative, but it starkly exposed one of the major issues with Australia's national liquid fuel supply chain, which was a lack of domestic bulk storage capacity.

In addition to these domestic held quantities, on 22 April 2020, the Australian Government announced that it would establish about a 30-day National Oil Reserve, to be held as part of the US Strategic Petroleum Reserve (DISER, 2020).

Australia is also a member country of the International Energy Agency (IEA) and a signatory to a 1974 treaty that requires IEA members to hold at least 90 days of oil reserves in the event of a severe oil supply disruption (IEA, 1974). Australia currently holds less than this and has struggled to comply with the IEA's 90-day reserve requirement since 2012.

After hostilities commenced, panic buying of petrol began almost immediately, and the Government quickly discovered that domestic stocks of all fuel types were sufficient for no more than 30 days of normal consumption. The national inventory had been optimistically calculated to include bulk fuel shipments still at sea, many of which were promptly sunk by Chinese submarines, while the remainder diverted to the nearest safe port. The expected deliveries never arrived. The strategic National Oil Reserve stored in the US proved worse than useless, as it was impossible to transport any of it to Australia.

Immediate severe rationing of transport and domestic fuel was implemented, and this had a major impact on food and other essential service deliveries. Military use of all fuels was naturally prioritised.

Over a period of only 2 months, Australia effectively ran out of fuel.

Power

One of the fundamental production inputs for any economy is an adequate supply of cheap and reliable electricity. Australia, in the 1990's, had some of the cheapest and most reliable electricity in the World. This provided industry with an enviable competitive advantage. Since then, however, Australian electricity has become some of the most expensive in the World and has declining reliability. What happened?

Australia had decided that man-made climate change caused by increasing carbon dioxide (CO₂) levels was an existential threat that required an urgent national response to prevent the predicted catastrophic effects. A core component of this response was that Australia move away from fossil fuels and towards a renewable energy, wind and solar economy.

The repercussions of this climate change policy were a slow and steady increase in electricity and gas prices for both domestic and industrial consumers. This, in turn, became a major contributor to the escalating cost of living and the decline of industries that relied upon cheap electricity as a production input. This ideologically driven electricity policy was clearly not economically viable or sustainable. Perversely, however, the coal-powered electricity sector was systematically dismantled.

Ironically, whilst on one hand demonising coal, gas and Nuclear, the only other viable baseload power source, Australia remained one the World's largest exporters of coal and uranium - an extraordinary feat of simultaneous virtue signalling and self-interested hypocrisy. If hypocrisy were an Olympic event, then this would surely be judged a gold medal performance.

A further irony was that Australian emissions of coal and gas were minuscule compared to China's, and the lessening of our industrial power was to their advantage, as they continued to develop their manufacturing facilities with no emission constraints, perversely using Australian coal.

There was no immediate effect on electricity supplies with the outbreak of hostilities, except that all imports of spare parts for wind turbines and solar panels ceased, as most of these came from China. The construction of a multitude of new wind and solar farm projects also promptly stopped. The installed, renewable energy grid quickly began to degrade due to equipment breakdown and a lack of spares.

There was an immediate panic to revert to any means available to maintain the electricity supply. Unfortunately, traditional coal-fired power was now limited and its reliability unpredictable, and stoppages arose quickly. Diesel-fuelled generators had become the hidden backup for many users, but this fuel was now also in short supply and could not be relied upon. Nuclear, of course, had long been demonised in Australia and was not available. Gas had also been the victim of climate change evangelism and had become extremely expensive, and was not available in sufficient quantities. The end result was that electricity supplies became unreliable, power outages became the norm and power in some parts of the country ceased altogether.

There were many other unforeseen effects. The lack of refrigeration led to food shortages, inadequate heating and cooling led to a rapid increase in the death rate among older generations, hospitals began to struggle to function, and water supplies

and sewage began to fail as there was a lack of power for pumping. All domestic power usage was severely rationed. Australia rapidly discovered the uses and benefits of electricity.

The impact upon the war effort was dramatic as the domestic crisis distracted from the war effort, and the lack of electricity made it increasingly difficult to manufacture ammunition and to maintain existing equipment.

Australia gradually moved into a new, low-tech, dark age.

Industry

Australia had traditionally lived off the sheep's back and had additionally been blessed with enormous reserves of iron ore, coal, bauxite, gas, uranium, rare earths and other minerals. From the 1950's, mining and primary products had increasingly provided a bonanza of export income that had eventually made Australia a wealthy country. While this was a good fortune, it was also a poisoned chalice as it had made the nation complacent and in denial that it could ever end. In one of history's great ironies, China had become the main customer for Australian minerals, gas and agricultural products, and indeed from the 1990's had become the main contributor to the nation's prosperity.

It also disguised the deterioration of the nation's industrial base. Over the last 50 years, almost all manufacturing declined and then disappeared. Farm machinery, the automotive industry, and the steel industry were milestones in this decline. As a consequence, Australia became a nation of importers. This, in turn, led to the loss of countless jobs and the disappearance of associated spin-off benefits.

Other global economic influences included the rise of "Just in Time" minimal-inventory practices and the growth of online consumer purchasing. The combined effect was that local stock holdings were kept to a minimum, and long lead times for imported products became the norm. For decades, many argued that Australia could not compete in manufacturing because labour and overhead costs were prohibitively high. As a result, there were no sustained efforts to revive the manufacturing base

The lawn bowls fraternity sum up the game of bowls as "Line, Length and Luck", implying that to win, you need to get both the basics right and then have a modicum of luck. In truth, this is a fitting analogy for the fortunes of a nation. The book "The Lucky Country" (Horne, 2008) by Donald Horne has become a nickname for Australia and is generally used favourably. However, Horne intended to portray that Australia's climb to power and wealth was largely the result of good luck rather than the strength of its political or economic system, which Horne believed was "second-rate".

One of the few growth industries in Australia over the last 30 years was bureaucracy and red, green and black tape that collectively acted as a dead hand on progress. Further, strong unions slowly strangled the competitiveness of private enterprise in Australia, particularly within the manufacturing industry. The effect of this was that the industrial base necessary to support defence practically disappeared. Without the

ability to provide more than very basic repair and maintenance, the ADF quickly lost its capacity to fight the highly capable and well-supported Chinese forces.

Australia faced a dual dilemma. Not only had the massive imports of everything into Australia suddenly ceased, but there was no local capacity to manufacture anything of significance. The nation now faced the consequences of taking the **easy wrong, rather than the hard right**, but unpopular economic decisions.

In retrospect, it beggars belief that Australia could be so seduced by the apparent magic pudding of abundant resources for its export income that it deliberately made little or no effort to diversify its industrial base. This was especially strange when considering the nature of the major customer that was always going to become a threat.

History records that many voices highlighted the folly of over-concentrating on a single point of failure and the essential need to diversify the industrial base; however, these warnings were always ignored. In the end, it was no consolation that much of the Western World made the same mistake.

Magic pudding economics had finally failed Australia.

Defence

The ADF was a highly trained, experienced, and capable military force that had been actively involved in various military operations over the last 50 years, mainly in support of the US. In Jim Molan's estimation, however, it is a "one-shot" military and lacks sufficient reserve equipment or ammunition stocks to last more than a few weeks in an intense conflict against a capable enemy. In addition, Australia did not have the manufacturing base to produce more than small-arms ammunition.

Australia had forewarning of Chinese intentions and had deployed naval vessels and aircraft north to counter possible Chinese attacks in the region. In keeping with Jim Molan's book, the initial Chinese attacks were with missiles against strategic targets throughout the Pacific and SE Asia, and Australian ships and aircraft were among the casualties.

For those Australian forces that survived the initial attack, replenishing ammunition, fuel, and supplies became difficult, and their combat effectiveness was quickly reduced to the point where they were forced to withdraw to Northern Australia.

Since the end of the Vietnam War, Australia had deliberately downplayed the military threat to the nation in order to justify reducing the size and capability of the ADF to the minimum necessary to maintain credibility with allies. Australia had only sufficient troops, aircraft, and naval vessels to support US military campaigns at token force levels and relied heavily on US logistical support when deployed.

The effect of this was that there was little reserve equipment to replace war losses and ammunition usage. Manpower was sufficient for the existing force; however equipment limitations prevented any form of rapid expansion of the Army, Navy or Air Force.

Mobilising Australia

As the war escalated, US forces also found themselves forced out of the South China Sea, and the resupply of Taiwan became extremely difficult. Like Australia, Taiwan was on its own; however, it had been prudent enough to prepare formidable defences. China immediately began to attack Taiwan and, like Russia in Ukraine, found unexpected resistance. The sea gap between China and Taiwan was the perfect obstacle to an invasion force, and China suffered heavy casualties.

Many US forces were also forced to withdraw to Australia as a relatively secure rear base, and the defence of Australia became more and more reliant upon resident US forces and US resupply.

Australia would go to war with what it had - not what it needed to defend the nation.

The Wider War

After the opening shots, the subsequent development of a war can take many directions, and if history is any indicator, most will be unanticipated, with the current Russia-Ukraine war a perfect example. However, given China's current and projected military strength through about 2030, it is unlikely to win a protracted conventional war. If the Ukraine experience is any predictor, Western military power would gradually gain the upper hand. A likely expectation, however, is that US military losses would be significant.

The Ending

Jim Molan's book is unambiguous, and he hypothesised that, short of a nuclear war, the US would be severely weakened and intimidated into an armistice with China. China would then dominate the Western Pacific, and therefore Australia's future would very much depend upon its own defence capability.

Jim Molan's prediction is that Australia would at best, become a tributary state to China. A more sinister possibility would be that Australia was invaded, conquered and colonised by China. Either way, Australia as a sovereign nation would cease to exist.

The lucky country found itself on the wrong side of history and had become an historical footnote. History had repeated itself.



Survival

(How Australia Survived WW3)

Alternate History 2 - Survival

Australia Finds Its Mojo

Since 2000, it had become increasingly clear that China presented a clear and present threat to the Australian nation. For over 20 years, China had embarked on an orchestrated program to promote its global aspirations through economic, military, cyber, political and soft power means.

Fortunately for Australia, China showed no favouritism towards its neighbours except perhaps North Korea and Russia, and managed to alienate most of them to a greater or lesser degree. This open belligerence gradually hardened Asian and Western attitudes towards China, and the World began to muscle up and rearm.

Most major political, economic, social and defence changes require a trigger event that is often out of left field and totally unanticipated. In Australia's case, the obvious storm clouds were studiously ignored until the evidence was so overwhelming that it simply had to be acknowledged. The trigger events for Australia were the clear rise of a belligerent China, the Russia-Ukraine war, the alliance between China and Russia, the high probability of a China-Taiwan war and the belated realisation that the nation was incapable of effective defence against a Chinese attack. The Covid epidemic had also exposed the frightening dependence Australia now had upon both the whims of a Communist regime and seaborne imports.

The first reaction was an amazing political and defence backflip. Australia decided to renege on a contract with France for a new generation of conventional submarines and instead opted for nuclear-powered submarines under the new tri-lateral AUKUS agreement. The nuclear sub deal was also the catalyst that triggered a rearmament and re-industrialisation wave of economic activity.

The result of the Voice Referendum also highlighted that the time for long-term decisions in the best interests of the nation had arrived, and conservative politics in Australia began to adopt pragmatic, common-sense, evidence-based long-term policies. The crippling costs of renewable energy also could no longer be ignored, and the conservatives reverted to coal for base load power, backed up by gas. In addition, they decided to move to nuclear power as the next generation power source, as well as providing an industrial base for the future nuclear submarine fleet.

This conservative political move to the centre-right resulted in a federal election landslide for the conservative parties. The Labor party then swung to the right to counter this trend, and Australia embarked on a rearmament and re-industrialisation wave of economic activity, driven by fear of China, economic necessity and political pragmatism.

In a rare bipartisan moment, the Australian parliament agreed on a 25-year plan in 5-year steps to rejuvenate the industrial base and to support the ADF. One of these

Australia had experienced its "Wake in Fright" moment.

decisions was to identify strategic industries that were to be fast-tracked and for which bureaucratic and union roadblocks would be minimised.

Shipping

Shipping owned or controlled by the Australian Government was recognised as critical for the future of the nation. The following measures were adopted.

- Shipping was identified as a Strategic Asset, the purpose of which was to secure the principal means of trade during peacetime, to provide an economic stimulus and to ensure a minimum level of coastal and international shipping in times of war.
- A Ministry for Shipping was created to plan and coordinate the industry.
- An initial target of 100 vessels was set for the Australian Maritime Fleet. These were to be purchased as far as practicable as part of the first 5-year plan.
- The fleet was to be operated on a commercial basis with a priority given to Australian trade.
- Some of these vessels formed part of the permanent RAN fleet, and all of the vessels were to be available as a maritime war reserve.
- Manning was provided by a combination of civilians managed by private enterprise and the RAN, largely through the naval component of the new National Service and Reserve naval personnel.
- Maintenance and repair facilities were developed in all states.
- Existing shipbuilding dockyards were expanded, new facilities were established, and a shipbuilding programme commenced with a combination of civilian and naval vessels.
- Training organisations for all aspects of maritime operations were established.
- A myriad of service industries for the maritime sector began to emerge.
- Shipbuilding was a major boost for steel manufacturing in Australia, and a requirement for all fitted equipment was that Australian support facilities were established.

Creating an industry from a low base was a major endeavour, however once the national commitment was made and targets set, then slow but steady progress began to be made. The wider benefits of a vibrant maritime industry were diverse, and employment within the sector boomed through a myriad of associated spin off industries.

Australia was back in the shipping business.

Fuel

The realisation that Australia was almost entirely reliant upon imports of refined fuels and crude to meet normal consumption panicked the nation. The following measures were implemented.

- The petroleum industry was declared a Strategic Asset.
- A Ministry of Fuel was created to plan and coordinate the long-term growth of the industry.
- The agreed IEA 90-day reserve was implemented as a first step.
- The number of petrol refineries in Australia was increased from the current two to one in each state. This also augmented local storage capacity for reserve stocks and provided sufficient redundancy to ensure the sustainability and survivability of facilities in times of crisis.
- Petrol tankers were included as part of the Australian Maritime fleet.
- Reserve crude stocks were built up to a minimum 6-month supply, and this then formed the feed stock for local refining.
- The strategic National Oil Reserve stock currently held in the USA was replaced with local facilities and crude holdings.
- Local exploration for onshore and offshore oil reserves was recommenced.
- Research into converting the considerable local coal and gas reserves into oil was commenced. This was a costly way to produce fuel; however, it would provide guaranteed long-term oil supplies in times of crisis.
- A fully Australian-owned oil company independent from manipulation by overseas owners was formed, to provide a base for long term development of local exploration, refining, training, employment and support.

All of these measures revitalised the once moribund Australian oil industry, provided massive local employment opportunities and formed a sustainable and fundamental part of the industrial infrastructure for the nation. The local strategic reserve of fuel so formed was a major factor in sustaining both the civilian base and the ADF when imports ceased after China attacked.

Australia had once again discovered that – “Oils Ain’t Oils”

Power

The crippling costs of renewable energy became political poison for all political parties, and the cost of electricity and gas had to come down. The nation implemented the following measures.

- The electricity industry was declared a Strategic Asset.
- A Ministry for Power was created to plan and coordinate the industry.
- Energy security became the mantra, and targets of the world's cheapest electricity and gas were set.
- The nation rejected climate change policies, emissions targets, and walked away from the Paris Accord.
- All subsidies for future wind and solar projects were removed. This effectively halted renewable energy projects as they had never been viable without massive public subsidies.
- Contractual arrangements for existing projects were honoured, however time limits for existing subsidies were set.

- All remaining coal-fired power stations were restored to full operating capacity.
- New High Efficiency Low Emission coal fired power stations were designed, and construction commenced. These were at least 30% more efficient and with commensurate lower emissions.
- All of the ideological restrictions on gas were removed, exploration recommenced, and fracking was permitted.
- Nuclear power was approved as the next-generation power source and as a foundation for the local support industry for nuclear submarines.
- The legions of bureaucratic bodies protecting and cultivating the sustainable energy industry were dismantled.

The severe ideological distortions imposed upon the energy industry could not be rectified overnight; however, over time, electricity and gas prices gradually became more affordable, supply reliability improved and consequently industry became more competitive internationally. Cheap electricity is one of the essential production inputs for industry and in consequence local industry was rejuvenated and began to grow.

Australia regained its once enviable competitive edge of cheap power for both domestic and commercial purposes thus revitalising industry.

Industry

Economically speaking, Australia had indeed been lucky as it is endowed with enormous quantities of mineral and agricultural resources. But luck does not last forever, and the COVID pandemic and the fragility of our current prosperity upon a belligerent China triggered a “Wake in Fright” moment for Australia. The new Centre Right government, imbued with a sense of resolute purpose, implemented dramatic changes intended to move the nation towards a broad based, resilient, diversified economy and industrial base.

The following measures were implemented.

- Industry was identified as a Strategic Asset.
- A 25-year industrial plan in 5-year steps was implemented with bipartisan agreement.
- A Ministry for Industry was created to plan and coordinate the industry.
- Targets of the World’s cheapest electricity, gas and water were set. These are fundamental production inputs to industry.
- The AUKUS Agreement revitalised shipbuilding.
- A vehicle manufacturing industry was re-established.
- Aircraft manufacturing was re-established.
- Taxation laws were changed to encourage investment in new industries and to replace imports.
- Industrial relations laws were changed to focus on the best interests of the nation, rather than unions and political parties.

- The red, green and black tape bureaucratic tsunami was reversed by the adoption of “One In - Two Out” for new laws and regulations.
- A small Government policy was introduced, and many previously public service functions were outsourced to private enterprise.
- A value-added approach for all existing mining and agricultural industries was pursued.
- Schools reinvented the 3Rs as a basis for providing graduates suitable for trade, scientific and engineering careers.
- The examples of Taiwan, Korea, Japan and other highly industrialised nations were studied to glean the strengths of their industrial systems.

The nation gradually began to industrialise from a very low base. Employment and training opportunities improved, and the economy gradually diversified away from a vulnerable dependence upon mining and primary products and in so doing provided a substantial support base for the ADF.

Is it possible to develop the Australian economy beyond the narrow minerals and agricultural base of today?

The answer is YES - and Taiwan is the classic example of what can be achieved if the national will is there to do so. Taiwan is a nation whose land area is about 1/2 that of Tasmania, with a GDP and population about the same as Australia. Taiwan has few natural resources but boasts a young, energetic population confronted with an existential threat from China. It has been forced to develop a diverse manufacturing industry, particularly in electronics where it leads the World in high end microchips, for the simple reason that its very survival demanded that it do so. Taiwan is an inspiring and achievable model for Australia to follow.

Defence

It was obvious that all aspects of the ADF had to be dramatically enhanced if it was to provide a credible military deterrent to China. However, to build or acquire modern weapons in sufficient quantity and quality to achieve this takes considerable time. The manpower to man the equipment also takes time to train; however, the critical limitation for Australia was not manpower, but equipment.

The following measures were implemented.

- The current Defence budget of about 2% of GDP was raised by 10% per year until it reached 4% of GDP.
- A Ministry for Mobilisation was created to reflect the importance of the task and its whole-of-nation scope.
- An Industrial Mobilisation course was established to train industry, government and the military in mobilisation requirements.
- A target to double the size, lethality and sustainability of the ADF was set.
- Manpower levels were increased by the introduction of selective National Service for the Army, Navy and Air Force and other parts of government service.

- Reserve Forces were greatly expanded to provide a surge capacity for the ADF.
- A range of missiles and drones were purchased to counter the land, sea and air threat.
- The manufacture of all ammunition, missile and drone types used by the ADF was commenced to ensure that sufficient war stocks were available and for replenishment needs to sustain high-intensity warfare.
- Reserve stocks of all ammunition and equipment were built up.
- A credible deterrent to China is impossible without the threat of a retaliatory nuclear strike, and accordingly, a target was set for Australia to acquire a limited number of nuclear weapons and the means to deliver them.
- All new weapons systems were required to have an Australian-based support infrastructure.
- US forces were allowed access to Australian territory and existing military bases and the US rapidly developed airfields and ports to accommodate, service and repair US aircraft, ships and land systems. This of course made Australia a high-priority target for China; however, the presence of US forces in Australia vastly improved the security of the nation. The economic spinoffs were also significant particularly in the development of Australian industry.

Is it possible to develop the ADF into a military force sufficient to deter an attack by China?

Once again, the answer is YES - and the model provided by Israel was adopted. Israel is a nation about 1/3 the land size of Tasmania, has only about 1/3 the population and GDP of Australia and has few natural resources. Its greatest asset is a highly motivated, resilient and cohesive society bound by strong religious and cultural convictions, with the single all-consuming focus of national survival. The minuscule land area of Israel makes it difficult to believe that it could survive, let alone thrive, but it has done so despite the odds.

From its very beginning as a modern nation-state in 1948, Israel has been surrounded by Arab states, all dedicated to its very annihilation. This naturally focused the mind of the nation on what it needed to do to survive. It has not only managed to win four brutal wars, defeat in any one of which would have seen the end of Israel, but it has now developed a military force that totally dominates the Middle East. The cornerstone of Israel's defence today is nuclear weapons; however, these are backed by a powerful conventional defence capability that alone is sufficient to deter any aggressor.

Of necessity, Israel had to develop a world-class industrial base to support its military forces. This has not happened overnight and indeed has taken 75 years to mature. It is today a champion of freedom and democracy and a compelling example of what a nation can achieve when faced with an existential threat. It epitomises the need for a clear vision of what is required to survive and the national commitment to do so.

The lesson here is that given the national will, Australia has the capacity to transform the ADF into a force that would deter any aggressor from military action.

The Wider War

Like the Japanese in WW2, the Chinese surprise attack resulted in many initial naval and air victories, and the allies were immediately on the defensive. China had few friends, however, and most Western nations sided with the US against China.

The Chinese strategic aims were the reunification of Taiwan and the re-establishment of what China considered to be its historical hegemony over its area of interest and the removal of US influence in that region.

China's Achilles Heel soon appeared however. They had not engaged in a large-scale war since the Korean War 70 years ago and the China-Vietnam war 45 years ago. The lack of military experience at all levels quickly became apparent with untested equipment, men and command and control systems. They did however have massive local naval and air superiority over Taiwan and although suffering heavy manpower and equipment losses they quickly moved invasion forces into the Taiwan Strait. Taiwan simply could not survive without decisive US action.

Senior US military officers had often publicly stated that wargame simulations indicated that the US would be defeated if they came to the assistance of Taiwan, using only conventional weapons. Implicit in these statements of course, was that if the US chose to defend Taiwan it could only be achieved by using nuclear weapons. This was well telegraphed over many years to China - who chose to ignore the warnings. The US was always going to defend Taiwan and it would be done with low yield nuclear weapons.

The US waited for China to commit their invasion forces to the war and then detonated several nuclear weapons in the middle of the Taiwan Strait, thus decimating the Chinese fleet. Simultaneously, they also destroyed all of the Chinese fortified islands in the South China Sea with nuclear weapons. This nuclear response did not touch mainland China but sent an unequivocal signal to China that this was the next step. China was then faced with a decision to either escalate the war, with the clear knowledge that nuclear Armageddon awaited them, or to agree a ceasefire. They chose the ceasefire and the war was over with a significant Chinese defeat. The World had also barely escaped a nuclear extinction event.

The Ending

The unintended consequences for China of starting and losing a war were profound. Xi Jinping was immediately deposed, the Chinese Communist Party imploded, democratic parties began to emerge, the economy collapsed, and years of economic and political turmoil began. History was repeating itself as this was a rerun of what had happened with the Soviet Union many years previously. A new democratic China rose from the ashes, and a new era of World peace commenced.

Australia was also forever changed by the experience of what could have been. The Western World, including Australia, was plunged into a severe recession as all trade with China ceased.

Once again, Australia had survived a potentially existential threat and had emerged on the right side of history.

Conclusion - Where to From Here?

Are the scenarios painted above credible and possible

- **Is Australia faced with an existential military threat?** The answer is probably YES.
It has happened before, and there is absolutely no reason why it cannot happen again. The warning signs are now there for all to see.
- **Will China invade Taiwan?** The answer is that whilst Xi Jinping remains President of China, his oft-stated aim to reintegrate Taiwan with China, by force if necessary, has the ring of a self-fulfilling prophecy and must be taken seriously. The most likely time frame for this is between now and 2030.
- **If China commences hostilities, will the US be drawn into the conflict?** The answer is YES and by long association, Australia and most Western nations will side with the US.
- **Is China an economic threat to Australia?** Should war not eventuate, then Australia is still faced with the dilemma that China remains our main export customer, our main source of imports and our major strategic threat. This does not augur well for our economic future, and a day of reckoning is almost certainly coming.
- **Can Australia develop sufficient military muscle to deter China from invading?** The answer is an emphatic YES, and Israel, a microscopic country geographically, has clearly demonstrated that it can be done.
- **Can Australia diversify the economy?** The answer is again an emphatic YES, and Taiwan, a small island nation, provides a realistic model for the way ahead. Again, it will take years to create; however, if our aim is for a mature, diversified and resilient economy, then we have no option but to make a start.

History shows that existential threats in the form of war are inevitable. At present, the storm clouds on the horizon are ominous and cannot be ignored. As a nation, Australia is now at a crossroads and faced with an existential decision.

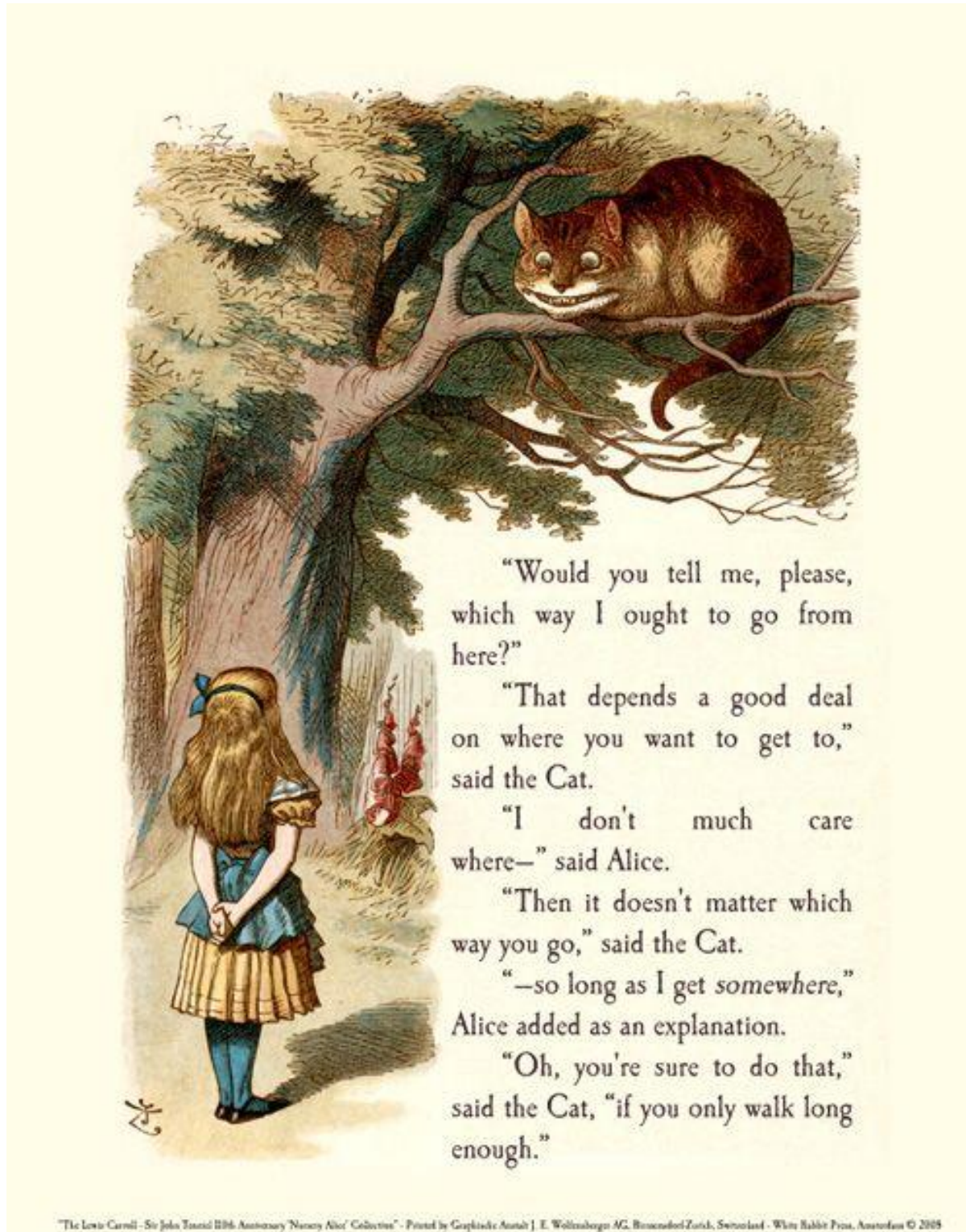
Let us hope that common sense will prevail, that our survival instincts are strong - and that we remain on the right side of history.

The only difference between where we are today and what could have been, or what is possible in the future, is a question of national will.

Tomorrows History Starts today!

The Last Word

The last word belongs to Lewis Carrol and his “Alice in Wonderland” – Alice is lost in the forest and meets the Cheshire Cat. It is a perfect analogy for Australia’s present lack of national vision, strategic planning and purposeful direction. We are indeed at a crossroads in Australian history.



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He is a passionate Australian who wishes to see that Australia remains on the right side of history.

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