Australian government implements farreaching restructure of intelligence agencies

Mike Head 31 July 2017

Over the past fortnight, the Liberal-National government has unveiled the most far-reaching revamping of the country's "security" apparatus since the political convulsions of the 1960s and 1970s.

First, Prime Minister Malcolm Turnbull, surrounded by masked Special Forces commandos, announced expedited measures to call out the military to suppress any outbreaks of "domestic violence."

Next, he outlined plans for a Home Affairs super-ministry to take command of seven surveillance and enforcement agencies, including the Australian Security Intelligence Organisation (ASIO), the Australian Federal Police (AFP), the Australian Border Force (ABF) and the Immigration and Border Protection Department.

Then, Turnbull announced that a new US-style Office of National Intelligence (ONI), headed by a Director-General of National Intelligence, will be created in the prime minister's office. The ONI will establish centralised control over all the internal and external spy agencies that constitute the "National Intelligence Community."

This network already has about 7,000 personnel and an annual budget approaching \$2 billion. Most of its key agencies have roughly trebled in size under the cover of the "war on terrorism" since 2001. Now it is to be vastly expanded and handed a range of new powers, in particular to monitor the political activities of Australians both at home and overseas.

By making his series of "security" pronouncements, Turnbull obviously had his government's own immediate concerns in mind. The increasingly unpopular and divided Liberal-National Coalition government has been hanging by a thread since last July's "double dissolution" election left it with a bare one seat majority in parliament's lower house. No government has lasted a full three-year term since 2007 because of widespread opposition to the bipartisan program of austerity, war preparations and boosting the powers of the police, intelligence and military agencies.

The political fears and strategic calculations in ruling circles go far deeper, however. They are driven by the global turmoil and uncertainties produced by the Trump administration, the decline in the hegemony of the United States—to which the fortunes of Australian capitalism have been tied since World

War II—and the rise of seething discontent in every country, including Australia, generated by ever-greater social inequality.

Some light was shed on those underlying concerns by the release of an unclassified version of an intelligence review report prepared at Turnbull's request over the past six months. The government has accepted all the recommendations of the review, which include the establishment of the ONI.

The report was drafted by former intelligence and foreign affairs chiefs Michael L'Estrange and Stephen Merchant, and Sir Iain Lobban, ex-director of Britain's intelligence control centre, the Government Communications Headquarters. The public version bluntly states that Australia's "national security environment" is being re-shaped by the ongoing decline in the global influence of the US, intensifying conflicts between the major powers, and the rise of domestic economic and political disaffection.

"The trend in the global balance of wealth and power is favouring China and India," the report warns. "The Western ascendancy in international institutions and values that characterised the second half of the twentieth century, and the early years of the twenty-first century, is eroding."

Clearly, the prospect of war is growing. "The geopolitical consequences of economic globalization are creating new centres of power and encouraging new strategic ambitions among many states. There are increasing complexities, particularly in the Indo-Pacific region, generated by enhanced economic interdependence and rising geopolitical rivalry."

Above all, "the global strategic influence of the United States has declined in relative terms and that trajectory is set to continue."

The report warns that "these profound changes" have "farreaching implications, not only internationally but also domestically." Without elaborating, the report says the shifts are "challenging aspects of Australia's comparative advantages."

There are potentially dire economic consequences for the Australian corporate elite in any conflict between the US, which remains by far the largest source of investment in Australia, and China, the country's biggest export market.

Among the "heightened tensions and instabilities," the report highlights "enhanced nationalism, populism and economic parochialism in many countries" and notes: "This is exacerbating a growing sense of insecurity and alienation."

These comments have gone unreported in the capitalist media. They expose the fraud of Turnbull's assertions, echoed throughout the media, that his government's only concern is to "keep Australians safe" from terrorism and "cyber-attacks."

Far from protecting the Australian population, those in ruling circles are preoccupied with suppressing widespread opposition to their plans for war and to the deepening attacks on the jobs, wages and social conditions of working class people.

As recommended by the review, the Director-General of National Intelligence will head an office with double the number of analysts in the existing Office of National Assessments, and provide daily briefings to the prime minister. Headed by the director-general, the new ONI will direct and coordinate the activities of an extensive network of agencies.

These include the domestic spy agency ASIO, the overseas spy service, the Australian Secret Intelligence Service (ASIS), the electronic surveillance operation, the Australian Signals Directorate (ASD), and the military's Defence Intelligence Organisation (DIO).

Also in the sprawling network are the satellite mapping agency, the Australian Geospatial-Intelligence Organisation (AGO), the police-linked Australian Criminal Intelligence Commission (ACIC), and the financial tracking agency, the Australian Transaction Reports and Analysis Centre (AUSTRAC). In addition, there is the Australian Government Security Vetting Agency, the Australian Cyber Security Centre and the intelligence arms of the Federal Police, Border Force and immigration department.

Significantly, to these will be added a National Intelligence Community Innovation Hub to involve other government officials, corporate chiefs and academics to "address capability needs" and "create new linkages."

To boost funding across the network, a Joint Capability Fund will be established, pouring an estimated \$370 million extra into "shared capabilities" over the next five years.

New powers will be handed to the agencies, including streamlined ministerial authorisations for operations against entire "classes" of Australians. ASIS agents will be armed and trained to use lethal weapons. There will be a "comprehensive review" of all existing legislation to enhance intelligence powers and data-sharing.

Great attention is being paid to camouflaging the "security" buildup because of mounting hostility toward the surveillance agencies, particularly since the false intelligence claims used to invade Iraq in 2003 and the disclosures of WikiLeaks and Edward Snowden.

Julian Assange and WikiLeaks revealed some of the atrocities and war crimes being committed by the US and its allies, including Australia. Snowden exposed the electronic spying conducted by the US National Security Agency and its partners on millions of people around the world.

The report notes that "following the WikiLeaks and Snowden unauthorized disclosures and growing interest in the broader community in perceived failures of intelligence," it was "critically important" to provide public reassurance and "build trust" with the population.

For that purpose, the report recommended slightly expanded roles for two cosmetic oversight mechanisms, describing their contributions to the "intelligence community" as "value adding." They are the Inspector-General of Intelligence, a small agency of security-vetted officials in the prime minister's department, and the Parliamentary Joint Committee on Intelligence and Security, which consists of 11 Liberal-National and Labor MPs handpicked by the prime minister and the opposition leader.

The document noted that "the Reviewers also held discussions with key interlocutors from the United States, United Kingdom, Canada and New Zealand." Together with Australia, these countries are part of the global US-led "Five Eyes" surveillance network.

The establishment of the new over-arching ONI will bring the intelligence services into line with their counterparts in the US and UK, where similar centralised apparatuses have been created during the past 16 years.

Opposition Labor Party leader Bill Shorten has guaranteed bipartisan support for the restructure, having been briefed by Turnbull in advance. Labor has backed, or initiated, every bolstering of the state apparatus for decades.

This is the greatest overhauling of the security apparatus since the late 1970s, following the global political upheavals of 1968 to 1975, which saw the toppling of governments in many countries. In 1978, the Fraser government used the still officially-unsolved detonation of a bomb outside the Sydney Hilton Hotel to declare that the "age of terrorism" had arrived, deploy troops on the streets, establish the AFP and hand immense powers to the intelligence agencies.

Today, the entire state apparatus is being prepared to deal with even more intense social and political disaffection under conditions of deepening social inequality, austerity and an intensifying drive to war.



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