



Analysis: Military Platform Procurement Strategies and the Need for Political and Doctrinal Alignment in Type 4 Purchases

Abstract Each procurement situation has different payoffs and costs for governments, both administratively and politically. Large-scale procurement, given its duration and size, has the possibility of highly uncertain benefits along with potentially high costs. The *Type 26* frigate and F-35 aircraft cases in Canada and Australia show that for successful procurement/implementation to occur what is needed is a clear set of objectives and targets established by a government which can then be matched to specific tools and tool calibrations by delivery departments or agencies *and for this congruence to be maintained over time and through changes in government*. The Canadian case studies demonstrate how the beginning of the twenty-first century brought with it rapidly shifting strategic priorities that left the CAF in difficulty due to its inflexible forces' doctrine within the context of changing government strategic goals and objectives in the post-Cold War period. In Australia, however, dealing with the same weapons systems at the same time, the alignment of government policy and forces' doctrine was maintained, resulting in projects proceeding faster, and with all-party agreement, than was the case or existed in Canada.

Keywords Policy procurement • Defence procurement • Doctrinal alignment • Service doctrine • Canada • Australia • *Type 26* frigate • F-35 fighters • Public administration • Joint forces • Geostrategy • Policy alignment • Force structure • Procurement strategies • Cost-effectiveness • Budgeting • Capitalization • Policy tools

The two cases of large-scale military platform purchases presented above demonstrate how it is essential for military platform procurement that political-economic and strategic considerations meet and that this alignment continues over time in order to deal with the constraints and issues that arise during the project planning and commissioning stages of platform acquisition. These latter issues include longstanding problems such as changing budgeting constraints, shifting electoral calculations of governments and opposition parties, changes in the partisan composition of government, emerging complex performance demands, and design alterations (Caldwell & Howard, 2014).

As the two comparative cases show, in military procurement these features are common and linked to requirements for integration with multinational allied forces, the self-interest of multiple actors ranging from regional suppliers to armed service practitioners, and involve political-economic considerations impacting issues such as national sovereignty and industrial or regional ‘offsets’ (King & Sekerka, 2017). None of these requirements figure as prominently in shorter-term, lower-cost Type 1 or Type 2 procurement, for example, or even in similarly large Type 3 kinds.

As was noted in the Introduction, achieving cooperation between governments and private and administrative stakeholders in these cases often depends upon what advantages cooperation provides to which actor(s) and when (Calcara, 2018, 2020).

Each procurement situation has different payoffs and costs for governments, both administratively and politically, and Type 4 procurement, given its duration and size, has the possibility of highly uncertain benefits for incumbent governments along with potentially high costs (see Table 5.1).

Type 4 situations thus often have *minimal payoff* for present-day governments that therefore often try to shift them into one of the other procurement quadrants using several common strategies. A strategy of postponing payment accompanied by prominent announcements of

Table 5.1 Types 4 procurement revisited

<i>Duration</i>			
		<i>Single government term</i>	<i>Multiple government term</i>
Number of units	<i>Few</i>	Low costs/all benefits	Low costs/uncertain benefits
	<i>Many</i>	High costs/all blame	High cost/uncertain blame

intended purchases, for example, can be seen as an effort to ‘frontload’ benefits while costs are pushed down the road, hopefully onto a successor government who happens to be in office when the bill comes due. Similarly, another strategy is to reduce overall expenses by bringing in revenues in the form of industrial offsets, thereby reducing the costs and shifting the project into a different quadrant. A third strategy, as mentioned in Chap. 2, is to try to convert a large purchase into a series of smaller-scale, potentially reversible, decisions, but this may not always be possible. And a fourth strategy is simply to buy less of the platform (e.g. fewer ships) while a fifth is to buy the platform ‘off the shelf’ which also can help reduce costs. These pathways were set out in Fig. 2.1.

Which of these strategies is adopted by governments depends both on the technology embedded in the purchase—for instance, whether or not it is severable—and upon whether or not government policy is ‘aligned’ or congruent with military doctrine (Migone et al., 2022; Glas et al., 2017; Plantinga et al., 2020). The two platform cases outlined here, and their different outcomes in two similar countries, stress the importance of this alignment factor.

What the cases show, as argued in Chap. 2, is that for successful procurement/implementation to occur what is needed is a clear set of objectives and targets established by a government which can then be matched to specific tools and tool calibrations by delivery departments or agencies *and for this congruence to be maintained over time and through changes in government* (Almarri & Blackwell, 2014; Vaidya et al., 2006). Alignment is key since without it there is no chance of an amicable/sellable off-the-shelf or a downsized purchase option even if these are technically feasible, and the odds of a kick-the-can-down-the road outcome increase substantially. With alignment in place, on the other hand, a successful procurement outcome that matches service needs is more likely.

The frigate purchase cases show that while a navy may have a clear vision of its intended roles (or not), if national defence policy does not align with these roles (and *vice versa*), the navy’s force structure will be unlikely to emerge in as coherent, or as timely, a manner as occurred in Australia. There, unlike Canada, the government has been able to do incremental/continuous build (or in the case of submarines and airplanes, even off-the-shelf purchasing).

Part of the problem can be seen from the fact that, doctrinally, the RCN and the RAN have very different service priorities. Throughout the study period the RCN considered itself as an instrument of Canadian

collective defence and a key contributor to NATO's ASW capability, but its relative importance for Canadian national security declined in the post-Cold War period (Collins, 2021a). RCN funding was usually given third priority against the Army and RCAF while the RAN, on the other hand, saw itself as the essential guarantor of Australia's defence and, in terms of defence policy, Australian governments repeatedly affirmed that role, providing the service with high priority for new construction and funding. The RCN, comparatively, was more frequently the recipient of low funding, and Canadian governments tended to perceive of the RCN as mainly a coastal defence organization, with some occasional expeditionary roles (see Appendices A and B).

These problems were exacerbated by the end of the Cold War where Conservative defence policy was heavily focused on Arctic sovereignty. The AOPVs became a central Harper government procurement item, and these were inserted into the warship package before construction could start on the Navy's preferred blue-water CSC frigate replacements. Australian governments, conversely, perceived the end of the Cold War as a period of new uncertainty, with *increasing* risks (Markowski & Hall, 1998, p. 8).

This misalignment of doctrine and policy has left the RCN with only a residual fleet and coastal defence role, recognized as fatal for the Navy's grander ambitions to be a contributor to what has been described as the "maritime century" (McFadden, 2010). While most accounts by insiders of the NSPS/NSS process are self-congratulatory and whitewash this history of disagreement (Mack, 2020), this does a disservice to the country and the advancement of knowledge of large-scale procurement processes. As the present study shows, this area of government activity is highly problematic and deserves much more and much better analysis than it has received to date.

The Canadian case studies demonstrate how the beginning of the 21st century brought with it rapidly shifting strategic priorities that left the CAF in difficulty due to its inflexible doctrine within a context of changing government strategic goals and objectives in the post-Cold War period (Advisory Committee on Administrative Efficiency, 2003). The shortcomings of procurement in an age of changing defence policy goals and naval doctrine were highlighted as early as 1998 in an Auditor General report dedicated to the modernization of the Canadian Forces, which cited a lack of clear priorities, in particular, as a root cause of a poor procurement framework (Auditor General of Canada, 1998).

Table 5.2 Distribution of foreign policy approaches by levels of threat and capacity

		<i>Threat</i>	
		<i>Low</i>	<i>High</i>
Capacity	<i>Low</i>	Idealistic (sovereigntist) foreign policy, minimal defence spending (<i>Canada since 1815</i>)	Realist (mutual defence) foreign policy, reliance on Allies or international law (<i>UK during the Cold War, Australia today</i>)
	<i>High</i>	Idealistic (imperialist or isolationist) foreign policy, luxury defence spending (<i>the United States or Germany before the First World War, UK from 1815 to the 1854 Crimean war</i>)	Realist (balance of power) foreign policy, military-industrial complex (<i>the United States during Cold War, UK from 1856 to 1919</i>)

The cases also show that political engagement with purchasing takes place through the governmental definition of the foreign and defence policy approach that will determine the strategic posture of a country. Table 5.2 provides a categorization of foreign policy types based on two fundamental variables: the perception of the level of threat a state is exposed to, and the capacity of the same state to respond to such threats; both set on a low to high continuum.

As illustrated in the table, Australia and Canada can be seen to occupy two different spaces in this strategic plane. While both are—in relative terms—low capacity states in the military sphere as they can at best aspire to middle power ranking and lack political imperatives that would enable broadly more militaristic goals, however, their threat perception is different. The narrative underpinning both the F-35 and the *Hunter*-class procurement processes in the Australian military and within the country's political/administrative system largely agreed on the premise that the end of the Soviet-American balance of power, coupled with the rise of the PRC as a regional and incipient global hegemon, would trigger increased instability and risk and would necessitate additional Australian military expenditures. In Canada, on the other hand, an expected post-Cold War peace dividend was premised precisely on reduced military expenditures although this view was not shared by the military services.

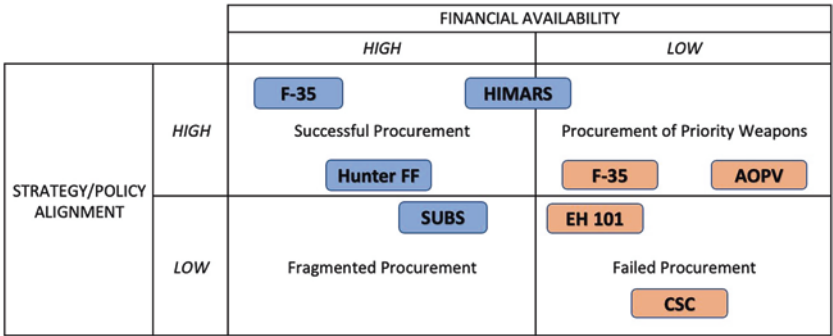


Fig. 5.1 Military procurement space for select weapon systems

The willingness or capacity of each country to invest in military technology is a function of these imperatives. The priority that military expenses are given within the scope of Liberal democracies is uneven, but depends on the level of alignment between policy and strategy in the context of the availability of the financial resources required for large platform procurement. The Canadian defence budgeting process, in particular, has remained suboptimal (Fetterly, 2009; C. Stone, 2012b) and repeated calls for change have produced some new models but relatively little progress in terms of major systemic change (C. Stone, 2012a).

In Fig. 5.1 we arrange some of the more recent procurement efforts for Australia (blue filled) and Canada (orange filled) in this space.

While completely successful procurement is only found when both financial capacity and strategy/policy alignment are high, other intermediate outcomes like the procurement of bottom line priority weapons in the case of low financial capacity and at least some alignment, or a fragmented result if funding is available but there is limited or shifting alignment, are common. Both instances underpinned the Canadian F-35 experience which went from success to failure to (very delayed) success.

The complexities connected to these two dimensions of large-scale military procurement should not be underestimated. Both the Navy and Air Force cases examined here show this can depend on multiple factors including exogenous shocks like financial crises, political conflict, a specific strategic outlook, the perceived intensity, and the typology and geography of the threat architecture a country faces.

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