

Australia and the United States: New Responsibilities for an Enduring Partnership

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Prime Minister

E&OE

PRIME MINISTER:

Thank you very much for that very warm welcome and thank you very much indeed for coming out to this speech on your public holiday, on Martin Luther King Day.

This week Kim Beazley completes his time in Washington and draws a line under exactly 33 years in public life and I thank him for every one of them - especially the six in which he has been our Ambassador here in the United States.

Throughout his career, as the Minister for Defence, be it Communications Minister, Finance Minister and as the leader of the Labor party and of the Opposition, Kim has been a steadfast supporter of and eloquent advocate for our Alliance, and I have got no doubt that he will continue to be so in the years ahead.

Much has changed in the United States in the forty one years since I first came here.

First, as a young student visiting my mother, a Rutgers Professor who lived in Philadelphia. And then as a young journalist interviewing Governor George Wallace in Montgomery as he mused about the prospects of Jimmy Carter's Presidential bid.

My wife, Lucy and I have even worked for the US Government – as an advisor to the Resolution Trust Corporation in the early 1990s, I came to this town. And of course, as a partner of Goldman Sachs I used to be affectionately greeted as “taxpayer” by your Ambassador in Australia. We co-founded the first big Australian Internet company and we floated it on NASDAQ twenty years ago, and since then so many visits on business and to family, including visiting our son when he was studying at Harvard College, and of course for the last decade or so as a politician in and out of office. And now as the Prime Minister.

Now, since I became Prime Minister my message has been that this is the most exciting time to be an Australian, the pace of change and disruption has never been greater, the opportunities are of a scale that our parents could barely imagine.

And we seize them with confidence, innovation, imagination, enterprise – with a determination to make volatility our friend – not our foe.

Now, that spirit of enthusiastic enterprise has always been inspired by the restless energy of the American people – always reaffirming the power of optimism, resilience and a relentless curiosity always to find a new way, a new idea.

A new world and a new frontier that are constantly reimagined, and yet here founded on values which are always contemporary - as timeless as they are true.

Values which we share: freedom, enterprise and a deep belief that everyone should have the best chance to realise their dreams.

Like you, we do not define our national identity by race, religion or cultural heritage, but on shared political values at the heart of which is freedom and mutual respect.

At the core of our success, and of others' failure, is the recognition that in a true democracy the rule of law constrains the majority at the same time as it empowers it.

Freedom needs leaders, and today we honour one of the greatest.

Martin Luther King's dream echoed not just across this city and the red hills of Georgia but right across the world and right across the ages.

This morning at Arlington, Defence Secretary Ashton Carter and I honoured the Americans who have died so that we could live in freedom at the Tomb of the Unknown.

In every major conflict since the First World War, those Americans have fought beside Australians.

In the great battles that finally brought that war to an end, American and Australian units fought together under the leadership of our greatest general, John Monash.

Today in the skies over Iraq and Syria our combat pilots are fighting together under the leadership of American commanders.

Time and time again Australians and Americans have shown that they are prepared to pay freedom's terrible price.

Our common cause in World War II forged an alliance that endures – and an alliance which has evolved as the world around us has changed. The ANZUS Treaty is now in its 65th year.

This morning, Secretary Carter and I reflected on the young lives lost so that we can live in freedom.

Our way of life, our prosperity, our security, is built on the service and sacrifice of our military families. My daughter's family is one of them. Like the loved ones of your veterans she has known all too well the anxious waits between phone calls from places like Afghanistan and Iraq.

Our countries know too well that the costs of war stretch for decades and that every decision to deploy our troops comes with the contract to care for them and their families - however long their way home might be.

Now, I have spent the last two days in the Gulf, in Iraq and in Afghanistan where I have been able to meet with and thank our servicemen and women for the work they are doing there for our nation.

I've also had the benefit of very candid discussions with the Crown Prince of the United Arab Emirates, with the Prime Minister of Iraq, the President of Afghanistan as well as other political and military leaders.

The Afghanistan commitment is the longest in our military history - over 25,000 Australians have served there since 2001. Forty one were killed on operations in Afghanistan and many others wounded.

In Iraq our contribution today to the 60 nation-strong international coalition against ISIL is second only to that of the United States.

Other nations with larger economies, larger defence forces and closer to the theatre are beginning to step up their commitments. As they should.

Now, ISIL's territorial gains in Iraq and Syria remain its core strength and, in my view, our most immediate challenge. ISIL has used the declaration of a caliphate as a powerful marketing tool which is attracting supporters, not just to travel to the region but to carry out attacks on our citizens at home.

The destruction of their self-styled caliphate would help to counter its narrative of inevitable victory.

The destruction of ISIL requires military action including boots on the ground. But they must be the right boots on the right ground.

The recent retaking of Ramadi is a good example. Led by the Iraqis themselves, assisted by the Coalition's respective air and Special Forces, it was not just a blow to ISIL, but an example of the right combination.

An enduring victory must be won and owned by the people of Iraq and Syria.

Our role in the coalition is very important, the Prime Minister of Iraq thanked me personally for the role that the Australian advisers played in supporting the retaking of Ramadi. But, it was

politically vitally important for him that the retaking of that city was done and seen to be done by the Iraqi army and, in particular, their counterterrorism service which is their elite units.

Now this check in ISIL's momentum is only the first step.

The border between Syria and Iraq is a line on the map. Neither country can be secured without a settlement in the other.

Unless the Sunni populations in Syria and Iraq can be reconciled with a new and inclusive order - then ISIL or a successor extremist group will have a ready recruiting ground.

The biggest challenge, is plainly finding that political settlement in Syria. The scale of the suffering is so great – a quarter of a million killed, 4 million refugees outside of the country, 6 million internally displaced.

The enmities are so deep, the wrongs so shocking, that every option should be on the table - from an institutionalised power sharing to some form of partition. This is a time for creative pragmatism and a recognition that difficult compromises will be required, particularly to avoid the sectarian aspect of this struggle spreading more widely across the region.

It is above all a time for all parties – our US-led coalition, the Sunni states of the region, Iran and Russia - to get on the same page and bring this war to an end.

Now, looking at the challenge more broadly, all of our words and deeds must be calculated with one aim in mind - to defeat the extremists, to dissuade people from joining them, to thwart them when they try to attack us, to punish them severely when they do - all to the end of making our people safe.

We should not be so delicate as to say ISIL and its ilk have “got nothing to do with Islam”.

But neither should we tag all Muslims or their religion with responsibility for the crimes of a tiny terrorist minority.

This is precisely what the extremists want us to do.

Today, they want us to turn on the Muslim communities in our midst because it reinforces their narrative to young Muslims that America or Australia does not want them, that they have no future here, that this is not their country too.

Now, I have been heartened by my conversations with leaders of Muslim-majority nations who are promoting an authentic, modern and tolerant Islam.

As one said to me only a few days ago “we must not allow these criminals to hijack our religion.”

President Joko Widodo of Indonesia, whose capital was attacked last week and with whom I spoke again on Friday, is a powerful advocate for moderate and tolerant Islam.

He condemns the extremists not just for their violence, most of which, after all, is directed against other Muslims, but for the way they defame Islam, his faith.

As the democratically elected leader of the world's largest Muslim-majority country President Jokowi can play a vital role in promoting the counter narrative from within the world of Islam that will ultimately defeat ISIL and the other similar violent extremists.

We will continue, for our part in Australia, our very close cooperation with Indonesia in the campaign against terrorism.

And in Australia, leading Islamic groups and leaders have also spoken out strongly against ISIL, warning that any support for the group contradicts Islamic teachings.

Now, as we confront this threat, at home, in the Middle East, in Africa and South East Asia, we should remember that terrorism is a strategy of the weak deployed against the strong.

We should not, as the President observed last week, allow anxiety about ISIL to lead us into exaggerating its power. Their threat to sweep across continents like the armies of Mohammed, to stable their horses in the Vatican are crazed delusions. We should not amplify them.

The coalition will win: by targeting ISIL militarily, using local ground forces supported by Coalition air power, weapons and training; curbing ISIL finances; stopping foreign fighter flows; and pursuing political resolution and reconciliation in Syria and Iraq.

There is one element of our campaign, however, that needs considerable improvement.

ISIL may have an archaic and barbaric ideology but its use of technology and social media in particular is very sophisticated and agile.

As ISIL uses social media for its propaganda, we must respond rapidly and persuasively with the facts.

It was clear to me from my recent visit that the Iraqi Government and other anti ISIL forces are not reacting quickly enough to contradict ISIL's online messages which have been used both to recruit new fighters and demoralise those who oppose them and we should help them with this.

ISIL claims must be mocked and disproved as soon as they are made. The cybersphere demands reactions as rapid as the kinetic battlefield.

We are working with our partners in South East Asia to improve the effectiveness of our counter narrative online, and I was pleased to see heightened cooperation here in Washington between the Government and the private sector telcos, software developers, and social media platforms to that end.

I am looking forward to further progressing our cooperation in this field in the course of my discussions with the President tomorrow.

War writes its own headlines and Americans must feel they have been at war for a very long time.

But the big story - possibly the biggest story of modern times - is that the US-anchored rules-based order has delivered the greatest run of peace and prosperity this planet has ever known.

Nowhere is this more evident than in our own region.

Forty years ago when I first came to this city, China was barely a participant in the global economy; today it is the world's second largest national economy.

The pace and scale of economic growth in our region is utterly without precedent in human history. It would not have happened, and its continuance cannot be assured, without the security and stability underwritten by a strong and enduring United States presence in our region.

A third of the world's middle class lives in South and East Asia today. By 2030 it will be 55 per cent.

It's not just China. The Indian economy grew at 7.4 per cent in the year to September last year, making it the fastest growing major economy in the world.

Closer to our home is Indonesia - a quarter of a billion people, the world's largest majority Muslim majority nation. Its per capita GDP has increased by more than 50 per cent over the past decade.

We want to make the most of these opportunities on our doorstep. We've championed the Trans Pacific Partnership and we urge your Congress to do so too - and we have signed or are working towards free trade agreements with all of the largest economies in the region.

Free trade is not just good for jobs. It is good for security. The more we trade, the more we rely on each other, the more our supply chains stretch across countries and borders the more there is to lose by a disturbance in the security and order on which our prosperity is founded.

I will now turn specifically to the China – US relationship, but before doing so let me remind us again there is a lot more to the Asia-Pacific than China.

In addition to China's 1.4 billion, there are 625 million people living in the nations of South East Asia alone - not to speak of the 127 million in Japan, itself the world's third largest national economy, 50 million in South Korea and of course the 1.7 billion in the Indian sub-continent.

There is so much to offer in this region. China is vitally important, it is the largest economy in the region, by a long way, and there is much to be gained from strengthened China-US cooperation as we have seen.

Progress on an effective global response to climate change could not have been achieved without Presidents Xi and Obama seeing eye-to-eye, nor could the settlement with Iran on its nuclear programme.

And of course the road to any lasting resolution of the threat from North Korea passes through Beijing as well as Washington.

The United States, China, Australia - all the nations - agree that the world has benefited mightily from China's rise. We all agree that the biggest risk to that continued peaceful rise is conflict and the disruption and instability that would bring.

So central is the Asia Pacific to the world economy, to global stability, that the preservation of the international order and the peace that it brings has been a consistent and absolutely central objective of both the United States and Australia.

China's President Xi Jinping often says that China needs to avoid the Thucydides Trap - referring to the passage in Book 1 of Thucydides' history, where after relating the rather complicated events that led up to the Peloponnesian war, he observes, bluntly and shrewdly, that the real cause was "The growth of the power of Athens and the alarm which this inspired in Sparta made war inevitable."

Now, if avoiding the Thucydides Trap is a core objective of China's strategy - as President Xi insists it is - then we would hope that China's actions would be carefully calculated to make conflict less likely, not more, and would seek to reassure neighbours of and build their confidence in China's intentions.

The legitimacy of claims to reefs and shoals should be a secondary consideration when that objective is focussed on.

Australia has no claims in the South China Sea, nor do we make any judgement on the legitimacy of any of the competing claims. We urge all parties, not just China, to refrain from further construction on those islands or reefs, and to refrain from militarisation.

We do so because unilateral actions are in nobody's interest. They are a threat to the peace and good order of the region on which the economic growth and national security of all our neighbours depend.

These differences should be resolved by international law. That is why Australia attended, as observers, the merits hearing in The Hague last November, in the case brought by the Philippines under the UN Convention on the Law of the Sea.

We look forward, in the coming months, to learning the outcome of the Tribunal's deliberations.

We also look forward - I hasten to add - to the United States ratifying the United Nations Convention on the Law of the Sea. The US already observes the treaty, which is a product of American leadership and crucial for resolving potential flashpoints in many parts of the globe. Non-ratification diminishes American leadership where it is most needed.

Let me conclude with Book 5 of Thucydides' history. There, the independent island of Melos wanted to maintain its neutrality in the war. The Ambassadors from Athens were unmoved and when the Melians appealed to justice they were met with a sneer as timeless as it is chilling.

“You know as well as we do”, the Ambassadors from Athens said, “that justice is to be found only as between equals in power. As for the rest, the strong do as they will and the weak suffer as they must.”

Now, the international order, the rule of law, seeks to ensure that that is not so, that might is not right, and that is why we will always work with the United States and our other allies and partners to uphold.

Let me turn again to the digital domain.

Every aspect of our lives has been transformed by the digital world of the Internet.

Our global economy, the pace of its growth, is supercharged by technology.

We must ensure, as free nations, that the Internet continues to be governed by the communities that use it – not dominated by Governments.

Freedom of the Internet is vital for democracy, human dignity and economic progress.

But cybersphere cannot be a lawless domain.

Australia, the United States and others will work together internationally to promote norms of behaviour that are consistent with a free, open and secure internet.

They include that states should not knowingly conduct or support cyber-enabled intellectual property theft for commercial advantage.

This approach can provide a basis for putting pressure on adversaries and openly imposing costs on malicious actors.

And we need to do all this while redoubling our work to counter the spread of propaganda which incites extremist violence.

This is an area in which over the years I have already engaged constructively with many American officials and I'm looking forward to developing this cyber security agenda in meetings tomorrow.

Now, according to the Pew Foundation's research on country's attitudes, 83 per cent of Americans declared themselves 'interested' in the 2008 US Presidential elections. The same research showed that the figure in Australia at that time was 84 per cent. I don't think anything has changed.

It has to be said that you have our attention, and while we make no judgements on the partisan outcome, we hope that the strong bipartisan commitment to our alliance, to our region and to the maintenance of a secure international order will continue undiminished.

Australia has never used the US-Alliance as an excuse for unloading responsibility for our security onto the United States.

We know that to enjoy the rewards of a rules-based order and the stability that it delivers, we must also share the responsibilities that come with it.

That is why we are making sustained and effective contributions to the battles in Afghanistan and Iraq.

That is why we are building and strengthening economic and security cooperation with many of our regional neighbours including Japan, India and Korea.

That is why Australia has worked so hard to develop regional economic and security architecture including APEC and the East Asia Summit, whose members include both China and the United States.

Now, some will claim that this range of new global threats we see today are symptoms of receding American will, or power, and that we are watching the fraying of the post-war order.

We reject those pessimists.

America is stronger than ever, its economy has rebounded from the Great Recession. Its military, as the President reminded us last week, is the mightiest in the world. Its entrepreneurs and its engineers have literally imagined the modern digital world and brought it into being.

Its values, America's values are our values – of freedom, and they have never been more important, or more suited to the rapidly changing times in which we live.

Martin Luther King could have been speaking of our times, he spoke for all times, when he said:

“The ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge and controversy.”

And that is why we stand together – Australians and Americans – always united in freedom's cause.

Thank you very much

Ends